FOREIGN BROADCAST INFORMATION SERVICE

# Daily Report

# East Europe

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# Daily Report
## East Europe

*FBIS-EEU-94-228* *28 November 1994*

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### Contact Group for Bosnia Calls For Cease-Fire

*AU2811114794 Paris AFP in English 1127 GMT 28 Nov 94*

[FBIS Transcribed Text] Paris, Nov 28 (AFP)—The five-nation Contact Group for Bosnia on Monday called for an immediate cease-fire in the Bihac enclave in north-western Bosnia.

A communique released here from the group, comprising the United States, Russia, France, Britain and Germany, said it was "united in its demand for an immediate cease-fire" in the area.

The communique, released by the U.S. Embassy in Paris, also called for an end to fighting in Bosnia as a whole and "unanimously" reaffirmed its conviction that a solution to the conflict could be found only around the negotiating table.

The Contract Group will visit Belgrade, the communique added. It met in Paris on Sunday and Monday at expert level.

### Russia Against NATO Expansion Toward Its Borders

*LD2311212994 Bratislava STV 1 Television Network in Slovak 1830 GMT 23 Nov 94*

[FBIS Translated Text] Russia disagrees with the North Atlantic Alliance's expansion towards Russian borders. Vladimir Lukin, chairman of the foreign committee of the State Duma, said in Prague today. Russia fears that the security situation in Europe will deteriorate in the event of NATO territory spreading as far as Russia's western border. However, Vladimir Lukin emphasized, Russia did not want to interfere in the internal affairs of the countries of eastern and central Europe. These countries themselves have the right to make decision concerning their entry into the North Atlantic Alliance.

### Olechowski Discusses CEI, EU Integration

*AU2311090394 Prague MLADA FRONTA DNES in Czech 21 Nov 94 p 9*

[Interview with Polish Foreign Minister Andrzej Olechowski by Lubos Palata in Turin on 19 November: "Olechowski: No Additional Conditions Should Be Set for Membership in the Union"]

[FBIS Translated Text] Turin—Polish Foreign Minister Andrzej Olechowski—who became chairman of the Central European Initiative (CEI) for the subsequent period at this organization's meeting in Turin on 19 November—has described the liberalization of trade between CEI countries and its expansion to include Belarus and Ukraine as being among its main tasks. In connection with the Slovene-Italian dispute, he emphasized that the European Union [EU] should not set any special conditions for membership for individual countries.

[Palata] Poland is the new presiding country of the CEI. What are your objectives on assuming the chairmanship?

[Olechowski] First and foremost, we will support the projects that bring countries that are not EU members systematically closer to full membership in this organization. We would like to expand the CEI to include other countries. Poland has an interest in ensuring that Ukraine and Belarus become CEI members. It is important that these countries are in contact with Central and Western European institutions and that they are not dependent only on the CIS.

We would like to improve economic cooperation within the CEI. A program should be drawn up next year that would increase—by means of liberalization and legislative measures—commercial exchange within the CEI and also with countries outside the organization.

[Palata] The Slovene foreign minister has said that admission into the European Union is a kind of prize. What is Poland's point of view?

[Olechowski] Admission into the EU or any other institution is not a right that you should simply have just because you want it. It never has been this way, and it never will be. It is up to the given member countries to decide whether they will admit us or not.

However, as far as the EU is concerned, we think that fulfilling the systemic conditions formulated at the EU summit in Copenhagen—which involve a democratic political system, economy, and so on—should be sufficient for admission. It would be disagreeable if certain special conditions were to be set for membership.

[Palata] Is the CEI a platform for preparing for membership in the EU and NATO?

[Olechowski] It is one of the platforms. The CEI has spheres in its activity that are a kind of preparation for membership in Western European organizations. In this context, the Weimar Group (France, Poland, and Germany) is of primary importance for Poland, but cooperation within the Visegrad Group and the Central European Free Trade Zone is also important.

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## CEFTA Meeting Opens in Poznan 25 Nov

### Slovak Prime Minister Speaks

*LD2511154494 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1400 GMT 25 Nov 94*

[FBIS Translated Text] In his address at the opening session of the CEFTA [Central European Free Trade Agreement] meeting in the Polish city of Poznan today, [Slovak] Prime Minister Jozef Moravcik emphasized that Slovakia viewed the signing of the CEFTA agreement as a concrete demonstration of the Visegrad countries' effort to intensify economic cooperation in the Central European region. At the same time, Slovakia accepts the global trend toward the liberalization of trade.

At the meeting, the representatives of Slovakia, the Czech Republic, and Poland expressed their discontent over Hungary's measures concerning surcharges on imports of agricultural products. They have asked Hungary to lift these measures as they contradict the CEFTA principles and objectives.

### Slovenia To Join CEFTA

*LD2511161594 Warsaw PAP in Polish 1512 GMT 25 Nov 94*

[FBIS Translated Text] Poznan, 25 Nov (PAP)—Prime Minister Waldemar Pawlak told journalists today before the final session of the meeting of the CEFTA [Central European Free Trade Agreement] and Slovene prime ministers in Poznan that it was agreed Slovenia will join CEFTA after the signing of a free trade agreement with Poland.

The prime minister did not say when the Polish-Slovenian agreement will be signed. The head of the Polish Government said it was also agreed in Poznan that the liberalization of trade within CEFTA will be speeded up, and that the members of the Visegrad group will inform each other about their actions and initiatives concerning the European integration process.

### Final Declaration Adopted

*LD2511172094 Warsaw PAP in Polish 1626 GMT 25 Nov 94*

[FBIS Translated Text] Poznan, 25 Nov—The prime ministers of the Czech Republic, Poland, Slovakia, and Hungary adopted a final declaration after the conclusion of their meeting in Poznan today. The heads of governments of the CEFTA [Central European Free Trade Agreement] states expressed the will to consult each other on the main issues of integration with the European Union [EU]. It was decided that meetings of the CEFTA prime ministers would be held every year. It was initially agreed to hold the 1995 meeting in the Czech Republic.

The prime ministers agreed that the removal of barriers in trade between the CEFTA states would be speeded up by one year, with "minor exceptions" in the group of industrial products. According to Prime Minister Waldemar Pawlak, experts will specify the exceptions to and principles of their application during future detailed consultations.

The heads of government also agreed that Slovenia would become a full member of CEFTA after the signing of a free trade agreement with Poland. It has not been specified when this will take place. The participants in the Poznan meeting agreed that the expansion of CEFTA by more states in Central and Eastern Europe would depend on these states joining GATT and on their association with the EU, and also on the approval of all CEFTA member-states.

### Prime Ministers Review Meeting

*LD2511195094 Warsaw PAP in Polish 1758 GMT 25 Nov 94*

[FBIS Translated Text] Poznan, 25 Nov—In the opinion of Prime Minister Waldemar Pawlak, the Poznan meeting of the prime ministers of the Czech Republic, Poland, Slovakia, Slovenia, and Hungary has been a strong signal to the nations and the economies of these states, confirming the will for expanding mutual cooperation.

Prime Minister of Slovakia Jozef Moravcik said during a news conference today: "We have found a right dimension for regional cooperation, and we are glad that there follows further liberalization in the mutual trade exchange. The shortening of the period for reaching the main target, which is a free trade zone between our countries, has also been an important achievement."

Gyula Horn, the head of the Hungarian Government stressed the importance of the agreement between the CEFTA [Central European Free Trade Agreement] members on their consultations with the European Union. "In the situation when CEFTA states strive to join the EU [European Union], it is important that we do not lose our existing contacts with them," Horn added and said that new negotiations between the Visegrad group states and the European Union were out of the question. The only possible thing was to update the existing agreements in order to adapt them better to the prevailing conditions.

Answering questions, the prime ministers said the issues connected with not inviting them to the EU summit in Essen and relations of the CEFTA states with Russia had not been discussed during the Poznan meeting.

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Asked why he had not agreed to the inclusion in the final declaration of the meeting of a clause on CEFTA states' cooperation in their aspirations to the EU, the Czech Republic's Prime Minister Vaclav Klaus said that the Czech Republic was for "setting realistic goals." He added that he did not think that the states of the Visegrad Group were interested in coordinating views and actions in this field.

Asked if, in his view, the Visegrad Group was still needed in the light of the CEFTA existence, Klaus said that the Czechs translated the term "Visegrad" as "CEFTA."

On the other hand, Prime Minister Pawlak said that "apart from the practical dimension of the trade cooperation within CEFTA, reality forces us to consult and cooperate in our regional cooperation and cooperation with the EU and other areas."

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### Zhulali Thanks U.S. for Training Assistance

*AU2611213394 Tirana TVSH Television Network in Albanian 1900 GMT 26 Nov 94*

[FBIS Translated Text] As has been previously reported, an Albanian-U.S. joint military training exercise was held recently. On the occasion of successfully completing the training, Defense Minister Safet Zhulali received training participants: Albanian soldiers, noncommissioned officers, and officers, as well as U.S. officers and noncommissioned officers who helped in the process of carrying out this joint training.

Major General Sheme Kosova, chief of the Army General Staff, and other high-ranking military were present at the meeting. Colonel Stephen Bucci, U.S. military attache in Tirana and chairman of the U.S. team at the Defense Ministry, also attended the meeting.

Officers and soldiers of the military unit and Lieutenant Colonel Pellumb Resuli, the unit commander, spoke about the effectiveness of the joint training and how they profited from it. The U.S. officers and noncommissioned officers spoke about what they had taught and to what extent the new training elements were assimilated.

Mentioning the values of this training, the U.S. attache in Tirana said that this is the first training, but also another step to introduce others to come. This is an expression of the U.S. assistance for the Albanian Army, which leads to further increasing cooperation in the interest of strengthening defense and democracy in Albania.

Defense Minister Zhulali conveyed to those present greetings from President of the Republic of Albania Sali Berisha and congratulated them for the successful completion of the joint training, for its values in assimilating new elements, and high professionalism and correctness.

Meanwhile, he thanked U.S. Secretary of Defense Mr. Perry for quickly performing this training and others to come.

Zhulali requested that work be organized as best as possible so that the new elements that were achieved in this joint training be spread and assimilated by all units in our army.

### Romanian Ambassador Views Bilateral Relations

*AU2511182694 Tirana Radio Tirana Network in Albanian 1430 GMT 25 Nov 94*

[FBIS Translated Text] On the occasion of 1 December, the national day of the Romanian people, the Romanian ambassador in our country, Mr. Gheorghe Micu, gave a news conference this morning.

In his explanations, Mr. Micu said that 1 December is considered to be the completion of the process of Romania's national unity.

After giving a short briefing on the stages that this process has passed through, Micu focused on latest developments in Romania over the five years since the December revolution, which led this country from dictatorship toward a democratic state.

Pointing out several achievements in the Romanian economy since 1989, Ambassador Micu informed reporters that the 1994 figures are encouraging as far as Romania's development is concerned.

Speaking further about bilateral relations between Romania and Albania, Micu stressed that after President Berisha's visit to Bucharest, these relations are recognizing new realms and expressed the conviction that they will be greater after Prime Minister Aleksander Meksi's visit to Romania and that of President Iliescu to Albania.

Concluding, the Romanian ambassador answered reporters' questions regarding his country's domestic and foreign policy.

### Berisha To Decide on Proposals for Changes

*AU2611185994 Tirana TVSH Television Network in Albanian 1735 GMT 26 Nov 94*

[FBIS Translated Text] The President's Press and Information Office reports that on 25 November 1994, on the basis of Article 28, Clause 7 of Law No. 7,491 dated 29 April 1994 on Main Constitutional Provisions, Prime Minister Aleksander Meksi has proposed to President of the Republic of Albania Sali Berisha some changes in the composition of the government and its structure.

As changes in the government's structure are a prerogative of the People's Assembly, the president of the republic will decide about the prime minister's proposals after the Law on Reorganization of Ministries is approved, a prerogative that, based on Article 16, Clause 13, of the Constitutional Law, is exclusive to the People's Assembly.

### New Amnesty Law Ignores Former Communist Leaders

*LD2511200894 Tirana Radio Tirana in English 1900 GMT 25 Nov 94*

[FBIS Translated Text] The Albanian parliament approved a law on the amnesty on the occasion of the 50th anniversary of the country's liberation. According to this law, hundreds of people sentenced under the communist penal court are to be released. The leader of the Socialist Party, Fatos Nano, accused of the abuse of duty in the year 1991, and the former president, Ramiz Alia, Nexhmije Hoxha, the widow of the dictator Enver Hoxha, and other seven top personalities of the communist state of Albania accused of the abuse of duty do not benefit from this law.

The five [Greek] minority members will remain in the prisons as well—they are accused of conspiracy with the foreign services—but they are to have some years deducted according to this law. [passage indistinct]

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## Indzhova on Cabinet's Role, Shervashidze Dismissal

*AU2511134094 Sofia 24 CHASA in Bulgarian 19 Nov 94 p 9*

[Interview with Prime Minister Reneta Indzhova by Khristofor Karadzhov; place and date not given: "Reneta Indzhova: Nation Should Not Be Deceived Any Longer"]

[FBIS Translated Excerpt] [Karadzhov] Mrs. Indzhova, the foreign press described your cabinet as the product of stagnation caused by men. Are your energetic actions during the first month of your tenure not a result of your ambition to cope with the chaos you inherited from the men?

[Indzhova] My actions are a result of the lack of men. I replace the absent men.

[Karadzhov] Are you not afraid that the mass dismissals at the police, the Committee on Tourism, and the higher administration could rally your enemies against you?

[Indzhova] A have never sought harmony with my enemies, and this is my challenge. [passage omitted]

[Karadzhov] I do not want to judge your actions, but the caretaker cabinet will operate for two to three months. Afterward the policemen, who are now working two shifts a day, will hardly have the forces to act.

[Indzhova] If I can work double shifts, the next prime minister should do the same. The same applies to the police. Generally, the entire nation should redouble its efforts and make sacrifices. Someone should find the strength to tell the people this. The nation should not be deceived any longer. [passage omitted]

[Karadzhov] In a private conversation about your cabinet, [former Prime Minister] Mr. Berov reportedly said: Let Mrs. Indzhova do what she wants. Afterward the people will see whether she was right or wrong.

[Indzhova] I have no comment on this.

[Karadzhov] How will you preserve your ministers from the temptation to act in the interest of various economic groups?

[Indzhova] In every society there are various interests. However, when they replace and eliminate the interest of the state this means the end of the state. I would like to preserve my ministers as long as possible from serving such interests. The brief period of my mandate allows me to think that the members of my cabinet would not be tempted. [passage omitted]

[Karadzhov] How do you view real privatization in the next months?

[Indzhova] I am doing enough to eliminate all institutional and normative obstacles. Certain schemes and procedures have been simplified, regulations regarding "debt in exchange for property" have been introduced, the decisionmaking mechanism has been simplified, and the control of the government has been strengthened. The privatizing organs can demand respect on the basis of the normative regulations. If despite all this there is no real privatization, it would mean that the privatization organs deliberately hinder the process. [passage omitted]

[Karadzhov] U.S. Ambassador Montgomery has given you a list of U.S. companies that are interested in our privatization but are encountering difficulties. Will you continue this practice also with other ambassadors?

[Indzhova] I have always maintained close contacts with the ambassadors and utilized this as an opportunity to advertise the Bulgarian privatization. This attitude is very important, especially when one does not have money. The diplomats were able to make use of their own contacts and help us by advertising our privatization on their own. [passage omitted]

[Karadzhov] Are you preparing a draft budget that the next cabinet could use?

[Indzhova] We are preparing the timetable for preparation of the budget and we will continue to be intensely active in this direction. By the end of the year the cabinet will complete all the necessary preparations, which will facilitate the work of the next cabinet.

[Karadzhov] What are the macroeconomic parameters of the draft?

[Indzhova] The departments and institutions are now calculating and coordinating those parameters. They will be confirmed by someone else. Any preliminary assessment of inflation could only inflate it later. [passage omitted]

[Karadzhov] Has [former Commission on Power Supply chairman] Nikita Shervashidze been dismissed only because of the four Bulgarians that have been killed near Istanbul? Recently you described the power prices he proposed as aggressive.

[Indzhova] Unfortunately, it appears that I simply had a premonition. The dismissal was really prompted by the murder of the four Bulgarians. I think that under such circumstances it is normal to do this, especially when the leader of the relevant department does not have the dignity to resign. Subsequently, the cabinet decided to dismiss him. This was an unanimous decision, which means that the entire government is behind it. Simultaneously, there will be strict control over the means allocated to the power supply system.

[Karadzhov] How did you find a replacement for Mr. Shervashidze so rapidly?

[Indzhova] I did not want a vacuum created in such a crucial and sensitive center. Until now the power supply system applied pressure on every government. With our action we demonstrated that we do not intend to succumb to any pressure. [passage omitted]

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### BSP Chairman Videnov Prepared for Compromises

*AU2511134194 Sofia TRUD in Bulgarian 21 Nov 94 p 9*

[Interview with Zhan Videnov, chairman of the Bulgarian Socialist Party, by Todor Tokin; place and date not given: "There Will Be No Red Broom, But We Will Reveal What We Have Found"]

[FBIS Translated Excerpt] [Tokin] Mr. Videnov, many politicians are speaking about a concealed red-blue [Bulgarian Socialist Party-Union of Democratic Forces, BSP-SDS] preelection collusion.

[Videnov] I categorically reject that. I would have ignored this claim if its authors were simply the permanent political lame ducks who always think that someone else is responsible for their misfortune. However, it is a grave sin against the frail Bulgarian democracy to deliberately fan hatred against the state, political, and public institutions, and against the multiparty parliamentary republic. May this sin afflict the conscience of those who will no longer obtain posts as presidents, deputies, and ministers through the people's confidence. Those people are seeking a patron now who could protect them. They think that the slogan "both sides are rascals" serves their interests. We do not think so. We are different and we will not allow ourselves to be squeezed under a common denominator. [passage omitted]

[Tokin] Do you still adhere to the Polish postelection variant?

[Videnov] The BSP is prepared to assume responsibility for the government. Its leadership is in good shape and so am I. What we want to achieve after the election is a change in the method of conducting the transition with the direct and decisive participation of the BSP. The first condition for this is to be the largest parliamentary faction in the next National Assembly. It is more difficult to achieve an absolute parliamentary majority, but this is something realistic and necessary. The most important thing is to preserve broad possibilities of effecting postelection cooperation in parliament and in the government. We have a coalition agreement with the Aleksandur Stamboliyski Bulgarian Agrarian National Union [BZNS] and the Ecoglasnost Political Club. We also have an agreement on a tolerant election campaign with the Patriotic Alliance. After the eventual election success this agreement could be developed and enhanced. Obviously, after the elections we will have talks with the Democratic Alternative for the Republic [DAR] and these talks have a good chance of succeeding. However, it all depends on the election results. We will do all we can to bring about a stable ruling majority, rather than create a division into two irreconcilable blocs. To that end it is worth making compromises regarding all posts, including the post of prime minister. However, there will be no compromises with the confidence of the voters, which includes the secondary issues of our platform. If you define that as the Polish variant, then I adhere to it.

[Tokin] How do you explain the expected BSP success—is it nostalgia for the recent past, or is it the party's new program?

[Videnov] The nostalgia will obviously play a certain role. The BSP has shown that it could guarantee private and national security, jobs for all, a roof above one's head, free health care, education, science, and culture. The people painfully sense the lack of all this and want those things to return. However, we can promise no miracles. We can cope with the poverty only if we increase production. This requires a tight regime, but not at the cost of social solidarity. Social solidarity should be the other name of every state policy. Moreover, the people reject restoration and do not want to return to the dead end of 5 or 50 years ago.

[Tokin] Will there be a "red broom" after the elections?

[Videnov] By no means. Bulgaria anyway remains without any honest, uncompromised, and honest cadres. Rather, we should attract those honest and worthy Bulgarians who left public life, regardless of their political orientation. Naturally, we will reveal to the people what we have found, not as a justification but as a duty to our voters. Bulgaria must learn the truth about the last governments, including the caretaker cabinet.

[Tokin] What will be the first thing you will do on 19 December?

[Videnov] I will drink to the BSP's election victory.

### Greek Minister on Relations With Bulgaria, BSP

*AU2711182694 Sofia TRUD in Bulgarian 22 Nov 94 p 9*

[Interview with Nikolaos Ioannidhis, state secretary for northern Greece, by Iliana Angelova; place and date not given; "Athens Is Prepared To Cooperate With BSP, If It Assumes Power"]

[FBIS Translated Excerpt] [Angelova] Mr. Ioannidhis, what turned Bulgaria into a priority of the Greek Balkan policy?

[Ioannidhis] Initially, our orientation toward Bulgaria was not so open and definite. However after the change in your country and the entire Eastern Europe in 1989, we decided to base our foreign policy on different foundations. Especially now, after the conflict with Skopje, we are seeking friends in our geographic region. The Bulgarians are historically close to the Hellenes and therefore we want to strengthen our friendly relations. The fair that took place at the village of Eximi is a proof of our good will in this sphere.

[Angelova] In what direction could relations between the two neighboring states develop more actively?

[Ioannidhis] First of all in the sphere of culture. Afterward, we naturally should develop more intensely our economic relations, the communications between the two peoples, and political relations. However, positive political contacts depend on the results of your elections in

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December. If the Socialists assume power, then as representative of the Panhellenic Socialist Movement [PASOK], I think that our relations will stabilize. [passage omitted]

[Angelova] What attitude toward Bulgaria would the Greek Government have if our relations with Skopje and Ankara deteriorate?

[Ioannidhis] Naturally, we will render diplomatic and other assistance. However, this depends on the circumstances. In the past [former communist leader] Zhivkov signed an agreement with the PASOK government, which ruled at that time, that if Turkey invades Greece, Bulgaria would guarantee Greece's security. This was a great success for both countries. However, this document does not apply any longer. What government would assume power in Bulgaria and how would it view relations with Athens is a matter of great importance in the future. Athens could definitely support Sofia.

We must work together on the common problems that we have with the Muslims. If we head toward the same direction, Turkey would certainly remain far behind us.

[Angelova] According to you, everything depends on our future government?

[Ioannidhis] Yes. We would categorically cooperate with the Socialists. However, if the rightist forces assume power, I could not guarantee much more than the traditional friendship between our peoples. [passage omitted]

[Angelova] Could relations between Bulgaria and Turkey affect contacts between Greece and Turkey?

[Ioannidhis] It would not be beneficial for us if relations between Bulgaria and Turkey improve. We already have experience in this sphere. We fear the threat from the north if the Turks attack us through the Muslims (Bulgarian Muslims—editorial note). However, if relations between Bulgaria and Turkey deteriorate, then a situation could emerge when we could unite and struggle against Turkey. Bulgaria would also not benefit if our relations with Turkey improve. Then Bulgaria will lose a party holding the same views [sumishlenik] toward Ankara. This is very complicated. In any event it would be good if our states constantly cooperate. Since the catastrophe of 1922 (the war between Greece and Turkey—editorial note) there have been almost no positive developments in our relations with Turkey. Personally, I do not see any chance of improving our bilateral relations with Ankara. However, we—Bulgaria and Greece—must constantly strive toward improving our economic and political cooperation. As Eastern Orthodox nations which share the same mentality, we have absolutely no differences.

### Commentary Views Strategy of Gligorov

*AU2311115694 Sofia STANDART NEWS in Bulgarian 18 Nov 94 p 8*

[Commentary by Lyubcho Neshkov: "Gligorov Is Sticking a Serbian Hat on Macedonia's Head"]

[FBIS Translated Text] A few days after the "elections," when with the help of the Western observers Macedonia's [The Former Yugoslav Republic of Macedonia] President Kiro Gligorov eliminated the opposition in parliament, the Macedonian president went abroad to carry out his foreign orders, which have nothing to do with Macedonia's national interests.

First, Gligorov departed to Geneva for secret negotiations with Greece. By concealing the contents of the six-hour talks that he held, Gligorov indeed confirmed suspicions that a treaty to the detriment of Macedonia is being prepared. However, prior to returning to Skopje, the president did not miss the opportunity to reiterate his desire to reach an agreement with Athens by whatever means, without specifying which side will be making concessions to the other.

The silence is indicative. Gligorov cannot openly say what his plans are. What compromise on the part of Skopje could be involved after Athens closed the border and blocked Macedonia's admission to the CSCE and other international organizations? The goal of the Greek attacks is to compel Macedonia to enter an alliance, something that will castrate Macedonia's sovereignty.

Gligorov is more talkative in anything related to relations with Macedonia's northern neighbor. "I do not see any obstacle to coming closer to Belgrade," he has told the Serbian weekly DUGA.

Thus it became clear why immediately before the elections he gave the Serbs in Macedonia the status of a minority. No one knows where, when, and how this minority appeared. However, such a minority had to be invented in order to confirm the inability to sever the umbilical cord between Skopje and Belgrade.

Those moves of the self-proclaimed president suffice to make it clear that Gligorov is being supported by the Western states in preventing Macedonia from becoming an independent state.

The tragic aspect is that Gligorov continues to inflict blows on Macedonia. Two days ago Belgrade and Tirana announced that he intends to open an Albanian university in Tetovo. It is clear to all that this will mark another beginning of the end.

In the future the West will officially support Gligorov because he gives rights to minorities, while Belgrade will protect him from the Albanian threat, with the clear goal of again sticking a Serbian hat on Macedonia's head.

The fact that Belgrade is dictating Gligorov's "intentions" indicates that it is not Macedonia that wants such an alliance. It could materialize only with the help of foreign forces—as was the case in 1919 and 1945.

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## Ambassador to U.S. Discusses Relations

*AU2511103694 Prague DENNI TELEGRAF in Czech 16 Nov 94 p 9*

[Interview with Michael Zantovsky, ambassador of the Czech Republic to the United States, by Petr Hampl; place and date not given: "U.S. Czechs Actively Support Our Foreign Policy"]

[FBIS Translated Text] [Hampl] Mr. Ambassador, do you believe that the results of the recent U.S. election will significantly affect the future orientation of U.S. foreign policy and its policy on Central Europe, in particular?

[Zantovsky] Any election in the United States affects all spheres of U.S. politics, including foreign policy. The foreign policy is specific in comparison with other spheres of politics because traditionally it has been formed on the basis of a bilateral consensus between the President and the chambers. Of course, the Republicans put, or have recently put, greater emphasis on the issues of European security, the integration of postcommunist countries, and so forth. That is an accent that could affect the postelectoral foreign policy. On the other hand, we must also understand that often even a discussion on issues of foreign policy is linked to the preelectoral shaping and does not have immediate practical effect after the election.

[Hampl] Before the last presidential election, the idea of creating a free trade zone with the Central European countries arose in the Republican camp. Do you believe there still is a real chance of its implementation?

[Zantovsky] It is not likely that it would appear in the form President Bush mentioned before the 1992 election. Nevertheless, contemplation of an expansion of free trade with the Central European countries prevails both in connection with the meeting on trade and interventions that President Clinton called to Cleveland at the beginning of January and with the establishment of a GATT successor organization. Thus, any expansion of free trade understandably suits our policy that believes it good for us, and here we concur with the U.S. philosophy.

[Hampl] A letter from the U.S. Congress Helsinki Committee to the Czech prime minister recently attracted a lot of attention in the Czech Republic. What significance does it have in the United States?

[Zantovsky] I would say that this issue has not been noticed much in the United States. Sometimes such a thing appears to be much more dramatic from afar than it actually is. First, the Helsinki Committee is not an ordinary U.S. Congress committee. It is not structured like the other committees in that there are independent Senate and House of Representatives committees. This U.S. Congress committee is a committee of both chambers. It neither discusses nor guarantees legislation as do the other committees. It simply is an ad hoc committee that was established to monitor compliance with obligations stemming from the Helsinki documents. Its reports are precisely what the name says—reports. Becausee they are U.S. Congress reports, they have their moral weight and moral influence. Recipients of these reports would certainly be well advised to carefully study and analyze them, but it is not the same as if they were a Congress decision or a government act. Another thing that is connected with this issue is that the report is not as much addressed in as it is out, meaning to the countries the report concerns. This also implies that the U.S. public, at least the general U.S. public, does not hear much about these reports. The third thing we should also consider is that the report assesses the overall situation in the ar[illegible] of human rights in the Czech Republic as very g[illegible] It contains partial objections, and the most serious c[illegible]s the objection to the citizenship law. That, I believe, is also the main and actually the only problem that is currently being analyzed at the appropriate places, and I believe our representatives will comment on it after the necessary period of time.

[Hampl] How is the current situation regarding the possible sale of the F-16 aircraft to the Czech Army?

[Zantovsky] I believe we might be getting ahead of ourselves. A sale of military hardware from the United States to any country is a very complex affair connected with numerous legal, financial, and political factors. Numerous talks take place from the time the sale of any state-of-the-art equipment, which the F-16 aircraft certainly is, is first conceived until the actual sale. Sometimes it takes several years. These talks deal with numerous very complex technical and expert issues, and, of course, they take place on a diplomatic level and not publicly. Hence, I believe that at this time we cannot ask the question whether the sale will or will not take place. I do not believe we have even raised the question in this form. We have indicated certain interest and probe for possible reactions on the U.S. side. That is only the beginning of a developing story.

[Hampl] Do they recognize in the United States the difference between the "government" and the "Castle" line in Czech foreign policy?

[Zantovsky] It is, among other things, the task of diplomacy that such a difference is not perceived. Every country has a single foreign policy on the outside, and I believe that, as we present our foreign policy in the United States, it is perceived as a single consistent foreign policy. The fact that discussions take place regarding certain issues in the political circles within the country is normal and understandable. This happens in the United States just like here or in other countries. It is the task of diplomacy, however, that such discussions do not evoke insecurity outside regarding our objectives of intentions, that we manage to weave all the threads into a unified policy with clear goals and foreign political orientation.

[Hampl] What reaction do the affairs and scandals taking place in the Czech Republic—the corruption case

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of Coupon Privatization Center Director Lizner, for instance—incite in the United States?

[Zantovsky] When this scandal broke out, I was already leaving the United States. If I recall correctly, however, I had already received reports that some media noticed it. On a more general level, then, the media in the United States pay a relatively great deal of attention to Central Europe. Almost every day some newspaper carries an article that deals with some aspect of life in some country. The reports on these little affairs and scandals are not that frequent, however, which may testify to the serious character of the mainstream U.S. press, which pays attention to foreign politics—that is, above all, THE NEW YORK TIMES, THE WASHINGTON POST, and THE WALL STREET JOURNAL. We do see, however, the attention paid to the significant and long-term issues. THE NEW YORK TIMES, for instance, carried a series of articles recently on the state of societies in Central Europe five years after the fall of communism. There was also an extensive article on the state of the environment in Central European countries that referred to the Czech Republic, and not in the most complimentary terms. Almost every week, several articles appear on the economy, its development, individual business deals, and so forth. I believe that there are for both readers in the United States and us more essential and important data than those on little affairs of individuals, however scandalous they may be.

[Hampl] Many people in the Czech Republic have the impression that, while the Americans of Hungarian or Polish origin endeavor to help their native countries, the sentiments the Czechs living in the United States feel for their country of origin are rather cool. Do you believe this impression is justified?

[Zantovsky] This impression used to be justified because the interruption of links between home and exile was much more radical and catastrophic than in countries like Poland and Hungary, where certain links to Poles and Hungarians living abroad were maintained even under the communist regime. We had much more work with the recovery of these ties, but, I believe, today—that is, at the end of 1994—the situation no longer is like that; it has improved a lot. As a representative office, we have very active contacts with our countrymen and U.S. Czechs, and I can say that the U.S. Czechs support our foreign policy even in practice. In connection with the adoption of the most-favored-nation clause, for instance, the U.S. Czechs exerted a lot of effort. They wrote hundreds of letters and resolutions to their congressmen and senators, and it was one of the factors that, together with similar activities of the Polish American community, led to the adoption of the clause despite certain difficulties and certain opposition. Thus, today, we have clear evidence that U.S. Czechs not only verbally acknowledge their country of origin but are also helping in practice. We appreciate it and are glad that the ties are what they are today.

[Hampl] There have been some instances in which the Czech Republic voted in the Security Council differently from the United States. Could you tell us what the reasons were and whether this would not affect U.S.-Czech relations.

[Zantovsky] The fact that we occasionally vote in the Security Council differently from the United States is simply because we are a different country with different conditions, world view, interests, which in most instances overlap but may occasionally differ. It would be very sad if we voted 100 percent of the time like the United States. If that were the case, we could have stayed in the Warsaw Pact. We are an independent country now, and we must assess every issue of international politics also from the vantage point of our politics, our interests, the point of view of what politics and what foreign political program the voters approve in the elections. That is how every country proceeds, including all of the Security Council members, and the talks I have held with the U.S. representatives clearly indicate that they understand this. Moreover, even in the issues in which we proceed somewhat differently, one cannot say that our interests or our conduct in the Security Council clash. On some issues, we are more cautious than the United States—the withdrawal of the arms embargo to Bosnia, for instance, and several other issues. We have our reasons, and I do not believe U.S.-Czech relations would be negatively affected.

## Poll Shows ODS Winning Parliamentary Elections

*AU2711171894 Prague DENNI TELEGRAF in Czech 23 Nov 94 p 2*

[Article by "(dra)": "Twenty-Eight Percent of Citizens Would Vote for the ODS in Parliamentary Elections"]

[FBIS Translated Text] Prague—If parliamentary elections were to be held now, ODS [Civic Democratic Party] candidates would receive 28 percent of the votes, CSSD [Czech Social Democratic Party] candidates 17 percent, and ODA [Civic Democratic Alliance] and KSCM [Communist Party of Bohemia and Moravia] candidates 9 percent each. This has emerged from the most recent poll conducted by STEM [Center for Empirical Research].

STEM conducted its survey at the beginning of November among a representative sample of 1,515 respondents. The results reflect the long-term willingness of a considerable part of the population to participate in parliamentary elections. Around 63 percent of eligible voters would go to the polls; roughly 25 percent are undecided, and some 12 percent of the population would not vote. In "November parliamentary elections," the ODS would win 28 percent of the votes, the CSSD would win 17 percent, and ODA and the communists would win 9 percent each. The KDU-CSL [Christian and Democratic Union-Czechoslovak People's Party] and the SPR-RSC [Assembly for the Republic-Republican

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Party of Czechoslovakia], with 5 percent each, would just have enough to gain seats in parliament. The Free Democrats, the Greens, the CMSS [Bohemian-Moravian Party of the Center], the Left Bloc, the Democratic Union, and the KDS [Christian Democratic Party] would not make it into parliament. Compared with last month, support for the ODS has fallen slightly (by 1 percent), while the CSSD has achieved its best result. Retired People for Social Security (DZJ), with 2.1 percent support, figures among the more prominent parties for the first time. STEM also assessed citizens' attitudes toward the political parties active in the Czech Republic. It has emerged from the questions "What do you like, and what do you not like about the individual parties?" that the ODS is associated in people's minds with economic reform and the attempt to achieve political stability. Its effectiveness, its representatives' qualifications, and its policy profile were assessed positively. The respondents gave a negative appraisal, for example, of the party's trustworthiness, arrogance, and careerism, and they were dissatisfied with some of its members or its chairman. The CSSD is associated primarily with social security and the social policy of an opposition party. Its chairman, Milos Zeman, is a conspicuous element of the party's place in the general consciousness.

### Dlouhy Still Most Popular Politician

*95CH0045A Prague PROGNOSIS in English 2 Nov 94 p 3*

[Article by R.L.: "Dlouhy Tops Pop Chart for 19th Straight Month"]

[FBIS Transcribed Text] Czech Industry and Trade Minister Vladimir Dlouhy has been named the country's most popular politician for the 19th month in a row in polls by the Institute for Public Opinion Research (IVVM).

Dlouhy was named most popular by 79 percent of those polled in September, a slight decline from his March standing of 82 percent. His popularity has been climbing fairly steadily since February 1993, when he stood at 63 percent.

The only other politician to break 70 percent in September was President Vaclav Havel with 74 percent, up 3 percent from June. Premier Vaclav Klaus held steady at 64 percent.

Public confidence in government institutions has also risen since the beginning of the year. In September, 72 percent expressed confidence in President Havel (up from 66 in January), while the Cabinet garnered 58 percent (up from 53) and Parliament 29 percent (up from 21).

### National Day Celebrations Explained

*95CH0045D Prague PROGNOSIS in English 2 Nov 94 p 8*

[Article by Tim Gilman: "Celebrating Czechoslovak Independence"]

[FBIS Transcribed Text] October 28, the Czech Republic's National Day, is the anniversary of the 1918 declaration of the first republic of Czechoslovakia. This year, though, the Czechs will be celebrating it alone.

The holiday commemorates Czechoslovakia's break from the Austro-Hungarian Empire at the end of World War I. The movement to join the Czech and Slovak people under self-government for the first time was led by exiled intellectual and subsequent first president Tomas Garrigue Masaryk.

Masaryk was forced to flee his homeland in 1914 after revealing that the corrupt Habsburg government was forging documents. Masaryk took refuge at Kings College in Oxford, England, and spent the war years meeting with world leaders, campaigning for a free Czechoslovakia and ensuring protection from the Allied forces.

Due to Masaryk's bold actions before the fall of the Austro-Hungarian Empire, the revolution in 1918 was an unqualified success—it came off as smoothly as the Velvet Revolution. The young nation flourished for 20 years until the Nazis invaded in 1938.

Under Communist rule the day was not officially celebrated, but it remained significant in the minds of the population. After a 61-year hiatus, it was officially reinstated as a national holiday. After the Czechoslovak split it became the Czech Republic's National Day. Slovakia, however, decided to not recognize it.

Political analyst Egon Lansky explained the Slovak decision not to celebrate October 28 as an effort to elevate Slovak nationalist interests as perceived by Vladimir Meciar's Movement for a Democratic Slovakia (HZDS) and the Slovak National Party.

"Deeper divisions exist between the Czecho-Slovaks (who would like to see the countries reunited) and the Slovak nationalists than between the Czech and Slovak people," Lansky said.

Last October 28, the first occasion of the holiday since Czechoslovakia split in two, Filip Sedivy, the Czech ambassador to Slovakia, held a reception to celebrate. Slovak President Michal Kovac and leaders of almost all the major Slovak parties attended. However, Meciar, who was Slovak premier at the time, was notably absent.

Last year in Prague President Vaclav Havel, Premier Vaclav Klaus and Prague Mayor Jan Koukal laid wreaths in memory of the victims of the Nazi and Communist regimes. Havel said at a press conference earlier that day that the ceremony consisted not only of "laying wreaths, but also of soul-searching."

Czecho-Slovaks in Slovakia, particularly those near the border, plan to celebrate the holiday despite their government's decision not to recognize it.

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## Defense Minister Holan Discusses Army Issues

*AU2711212494 Prague MLADA FRONTA DNES in Czech 21 Nov 94 p 7*

[Interview with Czech Defense Minister Vilem Holan by Jaroslav Kmenta in Prague; date not given: "The Army Is Halfway Through the Transformation Process"]

[FBIS Translated Text] Prague—Defense Minister Vilem Holan, who replaced Antonin Baudys at the end of September, believes after two months in office that the Army is at the halfway stage in its transformation process.

Holan considers the formation of the UNPROFOR [UN Protection Force] battalion and the almost problem-free changeover in the deployment of military units to be two of the positive steps taken in previous years. On the other hand, he is not happy with the work done so far in the personnel sector, and he is also critical of the shortcomings in the legislative framework for the Army's activity and the state's defense.

"I never thought the Army was somehow in a terribly bad way, but, of course, I also never thought the Army was first-rate. It is simply somewhere in between. I have merely become convinced of this since entering office. It is possible to find things in this department that are gratifying—for example, the activity of the UNPROFOR battalion. On the other hand, there are certain things that need to be accomplished. Quite simply, we are somewhere halfway, as we are in almost everything in this society," said the defense minister.

[Kmenta] What things begun by your predecessor, Antonin Baudys, will you continue, and, on the contrary, what do you intend to relinquish?

[Holan] Completing the Army's transformation is not something Mr. Baudys or I could lay down. Some things, however, should proceed more quickly. I see impediments in legislation, in particular. It is necessary to adopt a law on the Army and a law on the conditions of service, and it would be appropriate to have a new defense law. You know that work has only begun on a law on the defense of the Republic. The issue simply involves a whole package of legislation that needs to be completed.

[Kmenta] As you are talking about various laws, not long ago, quite serious consideration was given to the adoption of a policy on so-called service without arms. It was intended as a response to the ever-increasing number of requests for civilian service so that the waiting period for its commencement was reduced. Is it still realistic to adopt such a policy?

[Holan] The situation regarding requests for civilian service has changed a little. Not long ago, there were very many applicants for civilian service—perhaps 12-13 percent of new recruits. Now this figure is only about 7 percent. This is a very favorable situation, which means that maybe no special measures will have to be adopted. However, at the moment, nothing is definite.

[Kmenta] What is your assessment of the personnel situation in the Army?

[Holan] The soldiers in senior posts have been replaced, so to say, 100 percent. In essence, 30 percent of the people in the officer corps are under age 30. It is possible to regard these soldiers as new people, who have no burden of totalitarianism in their methods of work. Otherwise, there was no system in personnel management. This is something we are now trying to establish. We are working intensely on a so-called career path. There will be guidelines to determine under what circumstances people can move to a higher position or rank. Only on the basis of this systematization can we reverse the unfavorable situation where we have many colonels and lieutenant colonels but few lower ranks.

[Kmenta] Could you compare this situation with that of past years, when there was no career path?

[Holan] There was a right to ranks and posts. After serving for a certain number of years, ranks were given automatically. The career path should open the way into the Army for young people, in particular.

[Kmenta] Will you have to acquiesce to some personnel changes?

[Holan] I have adopted a positive strategy for selecting people. I have decided to replace people with the awareness that I do not want to send anyone away but that I have to find someone who is capable of holding this post. I have established a personnel board for this. This does not mean that I will simply receive a document of appointment and automatically sign it. We will invite the candidates for the vacancies in which I have a say, and we will interview them.

[Kmenta] What is your view on the issue of the L-159 aircraft, in view of the fact that the Army intends to purchase 72 of them? Could you give us your opinion on the selection process for the supplier of the avionics for this aircraft?

[Holan] I do not want to say too much about the discussions among the ministers on this issue. Nevertheless, the Army will be the end user of these aircraft and, as such, must specify its technical requirements. The point of view of the plant that manufactures the aircraft and wants to sell them may be different. However, there is an unwritten rule that an arms company can succeed better on the world market with its products if it shows that its own army uses them.

[Kmenta] Do you think that, in connection with this selection process, you will manage to assert the view in government that the matter of the country's defense capability and the opinion of military experts should be given preference over an enterprise's commercial interests?

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[Holan] I believe, in any case, that the government members who will deal with this matter hold the same views. What the Army procures cannot, after all, be influenced by industry. It has to be the other way round. We will say what we need to ensure that the state's defense capability is guaranteed as suitably as possible, and the suppliers will have to adapt themselves accordingly.

[Kmenta] Is it possible, then, to state that you refuse to bow to the diktat of the arms lobby?

[Holan] I do not feel that the atmosphere is antagonistic. I do not see this as something that would somehow come to a head. Simply, there is a business context and the defense sector, and now it is necessary to reach an agreement.

[Kmenta] During your brief period in office, have you held talks with any arms company?

[Holan] So far, I am not in contact with the representatives of the arms companies. My specialist assistants always attend to this. I keep my hands free for management.

### Death Penalty Favored by Most Czechs

*95CH0045C Prague PROGNOSIS in English 2 Nov 94 p 7*

[Article by H.L.: "Czechs Say: We Want the Death Penalty"]

[FBIS Transcribed Text] Nearly three-quarters of Czech citizens want the death penalty reinstated, according to recent polls.

Polls conducted by the Institute for Public Opinion Research and published October 19 showed just 12 percent of the respondents opposed to capital punishment.

The greatest support for the death penalty, 75.1 percent, was reported in northern Bohemia, which has the third-highest level of crime among the regions of the Czech Republic.

Jiri Vokus of the Czech Police press department said public opinion on capital punishment reflected a correlation in people's minds between the sharp rise in crime and the removal of the death penalty from the Czech penal code.

The death penalty was abolished in 1991, soon after the revolution, and since that time the number of crime cases per year has more than tripled. Last year police reported 440,000 crime cases as compared to 120,000 in 1989.

A poll conducted by the Institute for Public Opinion Research last week showed that 98 percent of Czechs considered general crime and citizens' safety to be the most pressing problem in society today.

### Optimistic Forecast for Construction Industry

*95CH0045E Prague PROGNOSIS in English 2 Nov 94 p 9*

[Article by Sakis Kondos: "Construction Industry Will Boom and Boom"]

[FBIS Transcribed Text] Construction in the Czech Republic is booming and is not expected to slow until the turn of the century, according to a new report on the country by a Danish firm.

According to European Construction Research, foreign companies in the Czech Republic will see sustained growth in sales of construction materials.

Joint ventures, mostly in the renovation of decaying buildings, are also expected to surge as Czechs move to improve old structures deemed important to tourism. The report notes that construction permits for renovation projects are easier to obtain than those for new construction.

Office space prices are due to decline by 1996, but Prague will remain a dynamic market and prices here are expected to stabilize, according to the firm.

Although housing development has declined severely during the '90s, a new mortgage law expected to be introduced in early 1995 will likely result in a housing construction boom, according to the report. New housing construction accounts for only 9 percent of total building here, compared to 50 percent in Western Europe.

All in all, though, the report's authors paint a rosy picture of the nation's construction industry prospects.

"The good shape of industry, legislation and, more importantly, a stable political situation makes it all secure for foreign investors in the Czech Republic," said Carsten Lehrskov, editor of the report.

The bulk of foreign investment will probably be in Prague and southwestern Bohemia, with Moravia and the northern part of the country attracting considerably less foreign capital.

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### Kukan Explains CEI Paper on Minorities

*AU2711171994 Bratislava NARODNA OBRODA in Slovak 21 Nov 94 pp 1-2*

[Article by Ivan Horsky: "Eduard Kukan on Results of Turin Meeting of Central European Initiative"]

[FBIS Translated Text] Bratislava—Eduard Kukan, the chief of Slovak diplomacy, returned on the night of 19 November from Turin, where he participated in a two-day meeting of ministers of foreign affairs of the Central European Initiative (CEI) countries.

According to Kukan, questions concerning the implementation of specific economic projects were at the center of attention. In this way, the ministers reacted to the mounting criticism of the CEI's formal activity, manifested in the adoption of a number of verbal declarations.

The final document from Turin therefore stipulates the establishment of an institute to train commercial lawyers, lists road network construction projects, and so forth. There is also a proposal for a pilot project—the building of a special industrial zone in Slovakia. According to this Italian initiative, this zone could be established near Bratislava or Trencin. The construction of light-industry enterprises would be financed by the European Bank for Reconstruction and Development, which will decide on this matter at the beginning of December. According to Eduard Kukan, this industrial zone should also be a free trade zone. On the basis of experience acquired, similar zones should also be built in other CEI states.

The minister stressed that problems of regional security were also discussed in Turin, in connection with the war in Bosnia and Croatia. The ministers called on Serbian forces to halt their attacks, especially in the Bihac area, and to stop the shelling of Sarajevo, Mostar, and other cities. They also appealed to Belgrade to enter into negotiations with representatives of the Albanian minority in Kosovo. Another important outcome of the meeting is the agreement to organize, starting next year, summit meetings of CEI heads of government and diplomacy.

However, the greatest interest of participants in the Turin meeting was aroused by the draft of a document on the protection of minority rights. However, this instrument remained only on the plane of a working document because the ministers did not approve it, though this does not prevent states associated in the CEI to sign it if they consider it appropriate. "In my speech, I stressed that, despite Slovak experts' participation in drafting the document, its formal adoption would be superfluous. Bratislava assumed this stand because this issue is adequately addressed by the framework agreement on ethnic minorities recently adopted by the Council of Europe, which is a higher legal norm that is binding on all Council of Europe member states," Eduard Kukan stressed.

According to unofficial reports, while Italy and Hungary vehemently advocated the adoption of this instrument, the other participants were either restrained or considered it superfluous in light of the aforementioned Council of Europe document.

### Kukan Discusses Luptak Remarks on NATO, EU

*AU2511210694 Bratislava DENNIK in Slovak 23 Nov 94 p 2*

[TA SR report: "Fears of Integration Into European Union? Eduard Kukan on Slovak Republic's Presentation Abroad"]

[FBIS Translated Text] Bratislava—At present, in a situation when power in Slovakia is to be handed over to a new government, it is extremely important to operate in relation to foreign partners so that no question marks or doubts arise as to the orientation of the Slovak Republic. Minister of Foreign Affairs Eduard Kukan therefore held political consultations with representatives of the Movement for a Democratic Slovakia [HZDS], the Slovak National Party [SNS], the Association of Workers of Slovakia [ZRS], and the Hungarian Coalition and arrived at the conclusion that the foreign policy line of these parties was in accord with the state policy and orientation of the Slovak Republic. Kukan did not want to comment on the views presented by ZRS Chairman Jan Luptak in the weekly PLUS SEDEM DNI [Plus Seven Days], where he said, "For what did we abolish the Warsaw Pact, and what do we actually want now that we are supposed to reequip our Army with U.S., German, and who-knows-what other weapons?" Kukan said that, in a conversation with him, Jan Luptak voiced fears lest the Slovak Republic's entry into European structures or into NATO have a negative impact on the social and economic situation in the Slovak Republic. Eduard Kukan explained that a negative attitude of certain political parties or their leaders toward integration into the European Union had also appeared in Austria and the Nordic countries, and that this was nothing unusual. In connection with the changes that occurred in parliament on the night of 3-4 November, Kukan noted that the ministry had registered a number of negative reactions in the foreign press. As for official reactions by diplomatic representatives, Kukan said they were interested in how the Constitution of the Slovak Republic would be interpreted and in questions related to the government formation. They did, however, voice certain fears lest the National Council of the Slovak Republic law of 4 November abolishing decisions on direct sales approved by the government after 6 September generate uncertainty among foreign investors. For the time being, the Ministry of Foreign Affairs has not registered any official protests.

### Kukan, Gasparovic Discuss EU Demarche

*LD2511195594 Bratislava STV 1 Television Network in Slovak 1830 GMT 25 Nov 94*

[FBIS Translated Text] Slovak Parliament Speaker Ivan Gasparovic and Slovak Foreign Minister Eduard Kukan

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met today to discuss the EU demarche received by the top officials of the Slovak Republic.

Both noted that the demarche is written in a friendly spirit and is proof of the EU's serious interest in developments in Slovakia. They also drafted a response to be handed over next week by the parliament speaker to the ambassadors of France and Germany, as well as to a representative of the European Union.

The response assures the EU that Slovakia will not deviate from its fundamental orientation toward democratic principles or from observing the principles of a market economy and peaceful cooperation with all countries.

### MOS Responds to Demarche

*LD2511171394 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1400 GMT 25 Nov 94*

[FBIS Translated Text] The Hungarian Civic Party [MOS] considers the EU demarche as a serious signal for Slovakia and the powers coming into office. The MOS says in its statement that the demarche is a positive signal proving that the EU continues to consider Slovakia to be a component part of Central Europe.

In its statement, made available to TASR, Coexistence states that the demarche is a warning from the European countries. According to Coexistence, this diplomatic step proves that Europe is monitoring the events in our country and that it is creating its own picture of Slovakia based on political facts.

In their statement, Republicans '77 consider the demarche as a demonstration of a moving and sincere concern shown by some lobbying circles and gentlemen from the EU reminiscent of the concern shown by Kreml.

### Meciar Cited on Strategy of Forming Government

*LD2411162894 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 0600 GMT 24 Nov 94*

[Report on remarks by HZDS Chairman Vladimir Meciar at 23 November news conference in Bratislava; portions enclosed within quotation marks recorded]

[FBIS Translated Text] Journalists used the presence of HZDS [Movement for a Democratic Slovakia] Chairman Vladimir Meciar at the news conference after talks between the HZDS and the Christian Democratic Movement [KDH] yesterday to ask for an explanation of the problems surrounding the forming of a new government. When will the government be formed?:

[Meciar] "It would be realistic to form the government immediately after the budget has been discussed in the National Council. In the interest of the state's economic stability, it would be inappropriate to start working on the budget afresh and to apply (?a different) macroeconomic concept because this would mean that all the work would be stopped and returned to the very beginning. We are discussing the matter continually, parallel with the parliament's work. There are some points where the interests and ideas of the future and present government actually meet, but there are some on which we fundamentally differ.

"But we cannot upset this process by forming a new government. I think it will be a majority government, which will have the parliament's support for its work.

"As far as the range of the parties is concerned, this issue is still open. The number of candidates is down by one, [passage indistinct]. Our principle is that the (?main objective) of our talks on forming a government is not to allow the development of such a degree of political tension that would make new elections necessary. We do not want them. We do not want them within six months' time, as the Constitution says, nor do we want them within a year, as some media say. There are enough of us in the HZDS to stop early elections taking place. I am therefore telling all of you who have been counting on this: There will be no elections!"

This means that Prime Minister-designate Vladimir Meciar seeks a majority government. Will this government have a simple majority or a constitutional majority in the parliament?

[Meciar] "It is not known yet how many participants there will be in the government, although it is clear who is interested. But the Association of Workers of Slovakia [ZRS] has not changed its position so far and maintains that it is not too keen on joining the government. Although there were some signs that the ZRS could change its mind, its political bodies have not decided yet whether they should join the government.

"Talks are going on with other parties, too, and there is a chance that a constitutional majority could materialize. At this stage, I still consider this to be possible."

Are we to understand that what Vladimir Meciar has just said means that the HZDS will lend its backing to the draft state budget, which will be presented by the Moravcik government in parliament?

[Meciar] "Inasmuch as I do not know what the budget is like, how can I pledge my support for it? We know that even the Moravcik government members do not know of it [words indistinct]. Let us wait and see, but it v ill be the National Council's view that will matter."

Journalists were interested in the idea of making the forming of a new government conditional on discussion of the draft state budget in parliament. What is the link between these two issues?

[Meciar] "Approving the budget amounts to approving economic policy and the principles governing the release of funds for individual ministries, which is a (?task) of exceptional importance. The present government has an idea. It will convey this idea, and the parliament can

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either approve it or reject it. It it is rejected, we shall propose our own concept so that the provisional budget will apply only to the shortest possible period and so this situation can be resolved.

"Our experts are providing considerable assistance in discussions, so we could already find an acceptable line of contact, a parallel, or a compromise."

[Unidentified correspondent] "Do you not rule out the possibility of backing the present government's budget?"

[Meciar] "I want to see figures. It boils down to (?simple) mathematics."

[Unidentified correspondent] "Is the HZDS planning to attempt, during the parliamentary discussion on the state budget, to incorporate into it its own concepts, to change it according to its own ideas or possibly to even pass the state budget and form the government only after this has been done?"

[Meciar] "There can be various strategies. It might be possible to back the budget, it might be possible to change the budget so it would meet our future plans, and there might be a chance to turn the budget down, to bring in a provisional budget for a certain period and to institute a new one later on.

"When the National Council session ends and when its debate on either confirming, changing, or abolishing the budget is approved, I will immediately submit to the president the proposal to appoint the government."

The last question journalists asked Vladimir Meciar yesterday in connection with the forming of a new government was: How can you claim this early that immediately after the debate on the draft state budget you will be able to submit to the president of the Republic a proposal on the cabinet, when the coalition talks have not yet been concluded and when the HZDS does not intend to form a minority government?

[Meciar] "We have a rough idea as to when the budget should be adopted, that it should be on 12 or 13 December. We know how far we got in talks with individual parties, where they stand in respect of their views, and roughly what they want. I think I can say that it can be formed. It will not be a minority government; the HZDS will not be in a minority.

"On Saturday, we will have a meeting in Kosice where we will approve what to do next and the selection of coalition partners and where I will receive further authorization as to what course of action to take in the government forming process."

### Moravcik on Preparation of 1995 Budget

*LD2511171494 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 25 Nov 94*

[Interview with Slovak Prime Minister Jozef Moravcik by correspondent Anna Samelova; place and date not given—recorded]

[FBIS Translated Excerpt] [Passage omitted]

[Samelova] Prime Minister, the drafting of the 1995 state budget is the hottest issue on the current government's agenda. [passage omitted] Did you try to hold bilateral consultations with the HZDS [Movement for a Democratic Slovakia] so the parliamentary debate on the budget bill does not again end in farce?

[Moravcik] There were no bilateral consultations between the current government and the HZDS because there is another forum for this—namely, the National Council. The deputies have met Finance Minister Filkus on several occasions, and Minister Filkus has held talks in the National Council and in its relevant committee. That is the forum; that is the appropriate basis for discussions.

[Samelova] [passage omitted] The government's efforts to hold talks with the new leadership of the National Property Fund last week failed. Have you prepared an emergency variant of the budget to be presented in case these talks really do not materialize?

[Moravcik] It is very important for the government to have a clear privatization policy. Unless privatization and the budget are linked, it is practically impossible to draft next year's budget without its having some negative impact on either the economy—imposing a too large deficit—or the social sphere because it would be necessary to cut expenditures on that sphere or on defense or other sectors.

As for the National Property Fund, this fund was set up so that it is, in fact, the government's executive body for privatization. [passage omitted]

To summarize what I have just said, even though the meeting with the National Property Fund did not take place and the work on drafting the budget has become more difficult, the budget can be prepared. It will eventually be expressed in a law, and the law will also be binding on the National Property Fund. [passage omitted]

### HZDS To Propose Cabinet After Budget Presented

*LD2611212694 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 2030 GMT 26 Nov 94*

[FBIS Translated Text] A proposal for a new cabinet will be put forward by the Movement for a Democratic Slovakia [HZDS] once a draft budget for 1995 is presented. This was stated by HZDS Deputy Chairman Augustin Marian Huska at a news conference during an interval in the deliberations of the HZDS National Executive Board in Kosice. At the same time, he added that, in the view of the National Executive Board, only Vladimir Meciar could be the new prime minister.

In this context, Katarina Tothova said that, in the interest of Slovakia's stability, the HZDS intends to form a majority government. This is why the Executive Board

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calls on the Party of the Democratic Left [SDL] to attend talks on future cooperation not only on a central but also on a regional and local level.

The session of the HZDS National Executive Board ended in the evening with an approval of a resolution. The movement's officials did not brief journalists about its content, and a communique about the deliberations will be published tomorrow.

### Voting Shows SDL, KDH Positions Strengthened

*AU2511103494 Bratislava NARODNA OBRODA in Slovak 21 Nov 94 p 3*

[Commentary by Julius Gembicky: "Feeble Turnout—Are We Tired of Big Politics?"]

[FBIS Translated Text] After the fiasco of the October referendum [on the obligation to prove the origin of money used in privatization], fatigue from the third consecutive vote in the past month and a half made itself felt in an estimated 40-percent turnout in this weekend's local elections. The elections of mayors and municipal and local council deputies were the last, farewell elections held simultaneously in the independent Czech and Slovak Republics, because their date had been approved in the days of the common state.

While Klaus's Civic Democratic Party won in the Czech Republic, the Slovak "small elections" did not exactly copy the distribution of political parties' and movements' forces from the recent parliamentary elections. The preliminary and, meanwhile, unofficial results suggest that, even though, of all the major political parties, the Movement for a Democratic Slovakia [HZDS] put forward the largest number of candidates for mayors and lord mayors (1,175) and local council deputies (15,463), it has not won even 25 percent of voters' votes. Although some independent candidates were running, for all practical purposes, in the colors of political parties, it seems that no radical change in the distribution of political forces occurred in the local elections. The HZDS has been successful in its strongholds.

Greater are the losses suffered by the HZDS in the east. According to preliminary resuts, out of 280 seats in the municipal and ward councils in Kosice, it won only about 10, and in Presov only 7 of 60 seats. Of the candidates of the Slovak National Party [SNS], only Jan Slota in Zilina achieved marked success. The Association of Workers of Slovakia [ZRS], hidden in various coalitions ranging from the HZDS and the SNS to the Party of the Democratic Left [SDL] and the Social Democratic Party of Slovakia [SDSS], down to the Democratic Union [DU], the Christian Social Union, and even the Christian Democratic Movement [KDH] and Coexistence, did not shine this time as it did in the recent parliamentary elections.

Before the HZDS's talks with the KDH and the SDL on the formation of a new government, big politics awaited the results of the local elections, expecting them to become the starting point and take-off board for the efficiency of this week's negotiations. The HZDS was curious to learn whether its position would be weakened or strengthened by the local elections. It seems that the SDL, also by having kept its traditional logo this time, has strengthened its position, shaken by the parliamentary elections. It will have its own mayors in Banska Bystrica, Brezno, Bardejov, Zvolen, and several Bratislava wards. The KDH, too, has maintained its strong local-level position in the Orava, Spis, and Saris regions. It will have its mayors in Trnava, Presov, Poprad, three Bratislava wards (Old City, Vajnory, and Karlova Ves), and the capital of Bratislava. The position of Bratislava lord mayor was won by Peter Kresanek, the incumbent, who ran on the KDH's joint ticket with DU and the Democratic Party and who emerged as the winner from a fierce competition with Jozef Prokes, candidate of the SNS and the HZDS, who had been regarded by many as the favorite.

What do the results of local elections indicate in relation to "big" politics? We will see whether Vladimir Meciar, who had proclaimed before the elections that his program was for greater independence of local self-administration bodies from the state, will keep his word. Failing to do so could, especially in places where he has lost his political clout, heighten tension between the district or municipal bodies of state administration and local councils. In due course, this tension would certainly spill over into "big" politics in one way or another. Moreover, given the fact that the SDL and the KDH have rather strengthened their positions in the local elections, it is more than likely that this will boost their autonomous position in negotiations on their support for a government of the shrunken HZDS-Farmers Party of Slovakia-SNS-ZRS coalition. Since Jan Slota [SNS chairman] won his mayoral seat in Zilina and Jozef Prokes [SNS honorary chairman] lost the race for the Primatial Palace [Bratislava City Hall], the SNS, the HZDS, and the ZRS will now probably also alter their original nominee for the post of third National Council of the Slovak Republic deputy chairman. After Sunday, Jozef Prokes should, by all accounts, be given preference.

### Cabinet Approves Protocol on Russian Oil Supplies

*AU2511095794 Bratislava DENNIK in Slovak 22 Nov 94 p 2*

[TA SR report in the "Briefly" column]

[FBIS Translated Text] The Government of the Slovak Republic yesterday discussed and approved the draft "Protocol Between the Government of the Slovak Republic and the Government of the Russian Federation on Long-Term Supplies of Crude Oil from the Russian Federation to the Slovak Republic."

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### Kovacs Interviewed on EU Membership, Bosnia

*LD2711102794 Budapest Kossuth Radio Network in Hungarian 0805 GMT 27 Nov 94*

[Studio interview with Foreign Minister Laszlo Kovacs by unidentified announcer—live or recorded]

[FBIS Translated Excerpt] [Announcer] Our studio guest is Foreign Minister Laszlo Kovacs. [passage omitted] How do you interpret how German Chancellor Helmut Kohl, for instance, sometimes says that the German-Polish border should not become the border of the European Union [EU], while on other occasions he says that the Czechs should be considered first. In your opinion, how can this protraction influence relations between one another and with the EU member states?

[Kovacs] It must not influence relations between one another, because it is not a race. The important thing for Hungary is not to get into the EU first, before another country of the region, but to join it without delay when we become fit for membership. [passage omitted]

[Announcer] Last week NATO deployed in Bosnia greater forces than ever before throughout the conflict. [passage omitted] What will Hungary's role be in this conflict if it escalates?

[Kovacs] I trust that the conflict will no longer escalate, although such dangers exist, undoubtedly. However, let us not forget that the warring sides are the Bosnian Serbs, the Bosnian Muslims, and the Bosnian Croats, and that Yugoslavia, Belgrade, for instance, are now staying away from the conflict.

Hungary's task, first of all, is to stay out of this conflict, which Hungarian foreign policy has achieved so far. Second, is to urge political settlement, for we have very serious interests in it. This crisis is very close to us, and also several hundred Hungarians live in Serbia in Vojvodina who may have to face a hostage situation if the conflict escalates. Third, the UN sanctions against Yugoslavia have been causing us very significant economic losses. Thus, it is absolutely logical that Hungarian foreign policy must urge a peaceful settlement. [passage omitted]

### Horn: Way Open for Romania To Join CEFTA

*LD2511195794 Budapest MTV Television Network in Hungarian 1830 GMT 25 Nov 94*

[FBIS Translated Excerpt] Hungarian Prime Minister Gyula Horn has said that the road is open for Romania to become a CEFTA [Central European Free Trade Agreement] member. Jozsef Hidvegi reports from the CEFTA countries' summit in Poznan.

[Begin recording] [Hidvegi] [passage omitted] Mr. Prime Minister, in your speech today you raised the possibility that, beside Slovenia, Romania may also become a CEFTA member. Was it the first time that the idea was raised at a meeting like this?

[Horn] For me, it was, since it was the first time I had taken part in a CEFTA meeting. Romania is an associate member of the EU [European Union]; thus, it has some advantage over other applicants, for example, the Baltic states. We had already stated our principle that, if possible, we should support each other, in accession both to CEFTA and to the European integration organizations.

I was glad to see that at the prime ministers' meeting held after the plenary session the other participants also confirmed that the road was open for Romania to join. [end recording] [passage omitted]

### MSZP Official Views Party Unity, Elections

*AU2811120394 Budapest NEPSZABADSAG in Hungarian 25 Nov 94 p 11*

[Interview with Laszlo Mate, deputy chairman of the Hungarian Socialist Party, by Tibor J. Keri and Gabor Miklos; place and date not given: "I Always Support the Weaker Side"]

[FBIS Translated Excerpt] [Passage omitted] [NEPSZABADSAG] You opened the workshop at Nanasi Street, and you also held the closing speech. What was your role in preparing the meeting?

[Mate] I am glad that someone has finally asked me, because I have only been able to read commentaries about the meeting. The Hungarian Socialist Party [MSZP] has a 209-member parliamentary group and it takes some time for such a large group to start working smoothly. The deputies are faced with problems and tensions and they have experienced few successes. For this reason, a need has arisen for them to be able to express their views on conceptual issues regularly before the laws are made. The sessions of the parliamentary group are not long enough for everyone to express their opinion freely. Therefore, the previous meeting at Benczur Street and the one at Nanasi Street were no more and no less than forums for the deputies for free discussion. Many speculations were published after the two meetings, but few articles mentioned that two ministers, three deputy chairmen of the party, and two state secretaries were also present. Plots and party splits are not normally planned by inviting the minister responsible for supervising the secret services. I have not seen such before. These kinds of discussions will also be needed in the future, but if we had known that this would turn into such a big circus, then now I say that we would have organized the meeting differently.

[NEPSZABADSAG] What did those parliamentary group members who had not been invited say?

[Mate] It was impossible to invite more people because there was no room left; we had room for about 50 people. Since then, we have held the first meeting of the club of Socialist deputies, to which almost 100 people turned up, at the Institute of Political History.

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[NEPSZABADSAG] Who was the chairman there?

[Mate] Parliamentary group leader Imre Szekeres, but his deputy, Monika Lampert, was actually present at the Nanasi Street meeting.

[NEPSZABADSAG] Which party groups participated in the Nanasi Street meeting?

[Mate] All tendencies were represented.

[NEPSZABADSAG] Does the MSZP actually have any tendencies?

[Mate] The MSZP is a true people's party where the only basic value is that everyone admits to support the left wing. Within this, we have social liberals, social democrats, populists, and city intellectuals [urbanus].

[NEPSZABADSAG] Where do you belong?

[Mate] To the pragmatists, but when a tendency becomes too strong, I always support the weaker side. I am convinced that it would mean the end of the party if everyone began to think in the same way. [passage omitted]

[NEPSZABADSAG] According to some views, serious personal conflicts exist within the party. Previously, tensions arose around Szekeres, and now the KURIR newspaper suggested that distrust in Chairman Gyula Horn is growing. The KURIR also said that quite a few people are expecting Miklos Nemeth [former prime minister] to return.

[Mate] I believe that Horn enjoys tremendous respect within the party. He played a decisive role in the small opposition party that had been deeply humiliated becoming a victorious party at the elections. The standard is very important, and Horn's reputation in the party is decisive. I am not aware any significant force in the party that is thinking about bringing Nemeth back. [passage omitted]

[NEPSZABADSAG] Have you not seen any other struggle for succession behind the scenes?

[Mate] Why should I see any struggle for succession? Horn enjoys very good health, and I find all such speculations too early in the party. Some people might be impatient, because such people always exist. However, I emphasize that I cannot at the moment see anyone in the party who could succeed Horn, and it will be too early to talk about this for a long time to come. [passage omitted]

[NEPSZABADSAG] What are your views on weighing up of the coalition's chances that emerges from time to time in the party?

[Mate] I ascribe this weighing up of chances to the campaign for the local government elections. For some reason, all kinds of false rumors have been appearing in connection with this. Intentions of withdrawing from the coalition do not exist in the party. In my view, the alliance of the two parties will last until the end of the government cycle. I cannot see any political force that could replace the Alliance of Free Democrats [SZDSZ], and I do not believe, either, that the Free Democrats would want to leave the coalition. [passage omitted]

[NEPSZABADSAG] According to some views, the appointment of Istvan Fodor as state secretary in the Defense Ministry is a behind-the-scenes gesture to the Christian Democratic People's Party [KDNP] because, as an independent candidate, he would have led the KDNP's Pest County list at the local government elections.

[Mate] Gestures can certainly be made. Fodor has a lot of political experience, we know him as a correct and reliable person in the previous parliamentary cycle. [passage omitted]

[NEPSZABADSAG] You are the MSZP's new campaign chief for the local government elections. How far have you got?

[Mate] We are in a good position, all the party's mayoral candidates have collected the required number of recommendations, and the same also applies to the local government candidates.

[NEPSZABADSAG] Did the coalition partners cooperate or compete in setting the candidates?

[Mate] The situation is quite varied. All kinds of alliances have been formed: We made alliances with the SZDSZ in many places and with others in other places. I am not aware of any place where we would sharply oppose the Free Democrats. [passage omitted]

[NEPSZABADSAG] What results do you expect at the local government elections?

[Mate] I expect similar success to what we had in May. We will have considerably more mayors than in the last period. And the MSZP, together with the SZDSZ, will become significantly stronger in the local governments. [passage omitted]

[NEPSZABADSAG] What are your views on the government's activities so far?

[Mate] The government found it difficult to get going, and it has had many uncertainties—it is enough to mention the hassle over the pension increase or the postponement of the energy price increase. Once the government has decided to do something, then it should stick to its decision. It must not announce something one week and then withdraw it the week after. This makes people conclude that we are indecisive. I have criticized this attitude and will continue to do so in the future if nothing changes.

[NEPSZABADSAG] However, most of these issues affect the prime minister himself: It is often he who makes the announcements and then corrects them.

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[Mate] I think it is the government, rather than the prime minister, who is responsible for this. The prime minister cannot be a one-person institution; a professional team has to be set up around him. This must consist of people who can judge when to make certain announcements. For example, the position of spokesperson was invented for this purpo: . It seems that we still have to make improvements in this area.

[NEPSZABADSAG] Could this improvement also mean changes in the government?

[Mate] In my view, it could. Certain ministries will probably have personnel changes before we have a good and stable government. [passage omitted]

### Romanian Intelligence Chief Criticizes Duna TV

*LD2311214894 Budapest Duna TV in Hungarian 1700 GMT 23 Nov 94*

[FBIS Translated Text] In his report submitted to the Romanian Parliament, Virgil Magureanu, director of the Romanian Intelligence Service, has, among other things, dealt with Duna Television and the institution's so-called Transylvanian activities.

[Correspondent Peter Mag] He said in connection with this: The standard solution for every Gordian knot would be the model of Alsace. Then we would not worry about Duna TV's plans to open branches in Transylvania and to deliver free satellite dishes there. Of course, only if its programs were not constant variations on the theme of the Carpathian basin belonging to the Hungarians. I would find it most natural—Magureanu said—for history books published by the academy in Budapest to be imported into Transylvania, if they did not propagate revisionism and if they demonstrated more respect for the friendly Romanian nation and its history. These things are manifestations of a certain kind of behavior and represent a kind of relationship, which I can scarcely view as being compatible with the idea of trust and the wish for cooperation.

### Statistics Show Foreign Share in Privatization

*AU2311143794 Budapest NEPSZABADSAG in Hungarian 23 Nov 94 p 14*

[Correspondent's report: "Foreigners in Privatization"]

[FBIS Translated Text] According to official data, a total of $7.2 billion's worth of foreign capital has flowed into Hungary since 1990. However, only a small part of this sum is connected to privatization; the larger part is so-called greenfield investment.

According to the data of the State Property Agency [AVU], a total of 197.75 billion forints [HUF] were made from the partial or total selling of 374 enterprises. The State Property Management Corporation involved foreign investors in the selling of nine enterprises with a total income of HUF90.2 billion. The total of these figures is HUF287.95 billion, or slightly more than $2.5 billion.

German investors took the largest share of Hungarian privatization; with HUF78.26 billion, they represent 27.18 percent. U.S. investors occupy second place with HUF62.02 billion or 21.5 percent. Austria is the third major player in Hungarian privatization with HUF39.91 billion or 13.86 percent.

In terms of the number of enterprises, Austria is in first place with shares in 103 firms. Germans have shares in 78 firms, while the Americans have shares in 27 firms, and this also shows that they have tried to obtain the large firms.

Great Britain and France invested about HUF20-21 billion each. The Netherlands and Belgium are also on the same level, with HUF13 billion each.

Sweden, Switzerland, and Italy share 2-3 percent of Hungarian privatization. It is interesting that the CIS countries also joined the Hungarian privatization, albeit at a more modest level: They invested a total of HUF5.3 billion in 13 enterprises.

### Commissioner Comments on Privatization Strategy

*AU2411070394 Budapest NEPSZABADSAG in Hungarian 23 Nov 94 p 15*

[Interview with Privatization State Commissioner Ferenc Bartha by Katalin Bossanyi and Agnes Peredi; place and date not given: "The Government Issued the Slogan: Full Blast Ahead"]

[FBIS Translated Text] [NEPSZABADSAG] The government has adopted the privatization strategy and bill after quite tough debates and a lot of compromises. What compromises have been made?

[Bartha] One compromise is that a broad cooperation and interference appear on the part of the trade unions and the relevant ministries. This hinders the process. The other compromise is that we provide a broad system of favors to a large number of enterprises, a broader system than we originally planned. This does not appear directly in the law, but this is essentially a fact.

[NEPSZABADSAG] If this does not transpire from the law, how does it appear?

[Bartha] Everything depends on how we publish the tenders. This decides on the demands we have regarding the social and employment aspects and on the extent to which we relax the conditions. This does not appear in the law either, but this is how it can be interpreted.

[NEPSZABADSAG] The trade unions declared that they cannot accept the bill this way. What is your opinion on this?

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[Bartha] As far as I know, the National Federation of Hungarian Trade Unions [MSZOSZ] had a constructive and positive approach to the bill. There is a consensus between the trade union and government concepts that we must continue the privatization process. Even those who have a different opinion do not say that privatization is not needed.

[NEPSZABADSAG] Do you think that the privatization bill will be debated in detail in parliament and that the softening process will continue?

[Bartha] No. It is impossible to take the bill apart, into small parts, because the main elements are given and there is consensus on them.

[NEPSZABADSAG] But the devil is in the details. Every case can have its own interpretation.

[Bartha] The portfolio to be sold is extremely varied. It is definitely a positive thing that there are means in the bill that can be used for various types of cases. It is good for the bill to be multifaceted.

[NEPSZABADSAG] Among the compromises, what did you give to the ministries and what did you give to the professional lobby?

[Bartha] We must act in coordination with the relevant ministries on every major issue. Decisions can be influenced at the general meetings, on both strategic and personnel matters.

[NEPSZABADSAG] In other words, there will be an elastic law after all?

[Bartha] I did not say that.

[NEPSZABADSAG] The prevalence of cash payments is one of the debated conceptional issues. What do you think about the role of foreign investments? At a recent conference, you said that you count on a considerable growth, something quite understandable on the eve of selling the big firms. How much capital do you count on? What could increase the attraction for investors? What could dissipate the concerns of the locals?

[Bartha] Some 50 percent of the property that can be privatized would become foreign property, property to a value of some 1,500 billion Hungarian forints [HUF]. According to our preliminary estimates, this will make up 70-80 percent of our cash incomes. Sectors will now be privatized that are attractive in themselves. However, in addition to this, it is also necessary to have a normative system of favors, one that is also clear to the foreigners and one that has not existed so far.

[NEPSZABADSAG] What grants will be used?

[Bartha] For example, we will not have domestic investors with subsistence credits [E-hitel], compensation notes and other favors fall under similar evaluation as the foreign offers in cash.

[NEPSZABADSAG] It is well known that the prime minister put pressure on you to offer "hard" stocks in exchange for the compensation notes as soon as possible. This is how the HUF70 billion offer from MVM Ltd emerged. Does this mean, to the potential professional investors, that this firm is now worth less HUF70 billion?

[Bartha] I do not think so. Besides, we continuously offer good portfolios for people with compensation notes, and we also initiate the change of these notes into life annuities.

[NEPSZABADSAG] Weaker firms are offered for the investment fund set up for compensation notes.

[Bartha] That is false. There will be both better and weaker firms in this portfolio. It depends on the fund manager what he can make out of this.

[NEPSZABADSAG] In other words, this depends on the state, or its representative?

[Bartha] We want to operate the fund on a market basis.

[NEPSZABADSAG] While the preparation of the privatization bill has been dragging for months, it seems that all this is merely much ado about nothing, because the really essential things happen independently of this. Individual government decisions will rule on the fate of the largest firms.

[Bartha] Yes. Although the bill has not yet been finalized, the government has declared the slogan: Full Blast Ahead. This is why the privatization concept of the largest five firms will be submitted to the government this week, namely the privatization of MVM Ltd, Mol Ltd, Matav, Antennal Hungaria, and the gas services.

[NEPSZABADSAG] How did you succeed in preparing a strategy when the energy prices are not yet decided?

[Bartha] The government accepted the fact that the prices should cover the expenses, and it took it upon itself to settle the energy prices beginning with 1 January 1995. There will be a period of preparation following the publication of tenders, and the investors will already know the prices then. We would like to publish tenders on the supply of electric power and natural gas as early as in December this year.

[NEPSZABADSAG] Are you counting on any considerable income this year? The government could still do with at least one serious transaction. Could the privatization of the Budapest Bank be carried out this year?

[Bartha] No. Months pass between an offer and the signing of a contract regarding banks, because innumerable details have to be worked out very precisely. We received three or four noteworthy offers for the Budapest Bank, but we cannot count on this transaction this year.

[NEPSZABADSAG] So there will be no large-scale transaction until the end of this year.

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[Bartha] There could be one; the HungarHotels deal.

[NEPSZABADSAG] What about the 100 enterprises among the AVU firms that you wanted to offer this year?

[Bartha] We will offer them.

[NEPSZABADSAG] With the list-privatization system?

[Bartha] No. Only the new law will make this possible. But we already want to assert the principles according to the new strategy. So it may be that there will not be many firms on the list by the time the law is legislated.

[NEPSZABADSAG] Increasingly, it seems that the law is only a beauty-spot, and decisions are becoming independent....

[Bartha] The privatization process must continue. If we just waited for the law, we would be blamed for halting the process. If we accelerate, we are blamed for that.

[NEPSZABADSAG] For the method, not for the acceleration itself. What is the big fuss over regarding the remaining firms in the jurisdiction of the new law if large-scale issues are decided on the basis of individual government decisions?

[Bartha] We have never made a secret of the fact that of the HUF1,500 billion property that can be privatized, HUF1,000 billion affects strategic areas. A government decision is definitely justified in their case.

[NEPSZABADSAG] Do you also mean the banks here?

[Bartha] Yes.

[NEPSZABADSAG] Will the banks belong to the new organizations directing the privatization process?

[Bartha] Yes. This is also one of the compromises.

[NEPSZABADSAG] Do you share the experts' view that an unprecedented concentration of economic power will emerge under the control of the Finance Ministry with the creation of the State Privatization and Property Management Corporation?

[Bartha] No. All the more so because, as the "host," the Finance Minister is interested in accelerating privatization, because it needs money. I also consider the demand that a government administration body or a one-person corporation controlled by the government should direct privatization to be a sham debate. We want to finish privatization in three years, and there will be no need for a directing body after that.

[NEPSZABADSAG] I would like to ask a personal question: Do you also hear the rumors about yourself? Do you know what the future holds in store for you?

[Bartha] No. I do not deal with this. I accepted this job, and I am working now. No one has talked to me officially about having to do something else in the near future.

[NEPSZABADSAG] Does this mean that you are preparing to head the State Privatization and Property Management Corporation after the position of privatization commissioner is abolished?

[Bartha] Yes.

## Six Major Trade Unions Comment on TGM

*AU2811105894 Budapest MAGYAR NEMZET in Hungarian 25 Nov 94 p 4*

[Report by Katalin Tork: "The LIGA Does Not See Any Chance For Signing—It Is Too Early To Bury the Agreement, the Majority of Trade Unions Believe"]

[FBIS Translated Text] At an event in Szeged last week, Sandor Csintalan, executive deputy chairman of the Hungarian Socialist Party [MSZP], said that people should not insist on an early signing of the social and economic agreement [TGM]: "It does not even matter if it is not signed at all, the point is that it should work." MAGYAR NEMZET asked the six major trade union confederations to comment on this opinion.

Sandor Nagy, chairman of the National Federation of Hungarian Trade Unions [MSZOSZ] said: In my view, the TGM is a very important task of the new government. He also emphasized that it does not matter when it is signed, in December or January, however, it has to be done within a foreseeable time—on this detail, he disagreed with Csintalan because the fact of the agreement is important. To our question whether it is possible that some confederations will not sign the TGM, Nagy said most firmly: He had not even contemplated this, and it is impossible for the MSZOSZ to sign any kind of agreement on its own. At an earlier news conference, Nagy criticized sharply the speech of the parliamentary group leader of the Alliance of Free Democrats [SZDSZ] in which he "buried" the agreement. In connection with this, he told MAGYAR NEMZET that he was annoyed at a statement of the SZDSZ's chairman in which he said that, on the issue of privatization, the current opposition parties identify with the most left-wing ideas of the Socialists, namely that of the MSZOSZ, because this gives the impression abroad that the so-called former communists can have a real influence in Hungary. Nagy said: It was the Hungarian Democratic Forum that last made a statement like this on the MSZOSZ.

"We cannot see much of a chance in the form the government first outlined the TGM. Naturally, much depends on the plenary session of the Interest Coordination Council to be held on 25 November," Miklos Pasztor, executive chairman of the Workers' Councils, told us. Pasztor also said that a four-year agreement would also be possible if the government was willing to change its attitude and did not continue the restrictive policy. Pasztor also said it is not for the government to choose between the confederations; the trade unions are trying to act in unity, but all confederations have their own views.

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Laszlo Papp Kis, current chairman of the Trade Union Organization of Intellectuals [ESZT], believes that it is very brave to think ahead for four years in this economic situation, however, the major principles can be laid down. Papp Kis said that, for the ESZT, a 0 percent decrease in real wages would still be acceptable in the first year, however, real wages have to increase in the long run (by 1996), because this would be in accordance with the government program and this should also be laid down in the TGM. Papp Kis firmly rejected that certain confederations should be given a special role: "We are asking the government not to differentiate between the confederations, because this is impossible to do for a social liberal coalition," he emphasized.

Janos Vadasz, executive chairman of the Cooperation Forum for Trade Unions [SZEF], said: "The TGM can only contain the 1995 budget and the long-term, four-year goals together, these elements cannot be divided, and it is impossible to create a TGM without an agreement on 1995." Vadasz also said that a TGM can only be called an agreement if it is signed by all trade unions on the employee side. The agreement also has a price for the government, namely the preservation of the value of wages, maintaining the employment level, and maintaining the public institutions' ability to function. Vadasz does not agree with Csintalan on the issue that the contents of the agreement cannot be defined precisely because the methods and the contents of interest coordination can be laid down very precisely.

According to Bela Kosda, an executive chairman of the Democratic League of Independent Trade Unions [LIGA], the TGM was part of the MSZP's campaign and it was also part of the coalition agreement: Does the MSZP consider both of them unimportant? The LIGA is now sorry that it took these seriously. It took six months for us to realize that the MSZP had tricked the trade unions because we have not yet been able to agree on anything. Regarding the fact that the SZDSZ is also part of the government, Kosda said that it is true that two government parties exist. Kosda stated that the LIGA national committee decided that it cannot see any chance of signing the TGM because the government is trying to force the negotiating partners into accepting the very concrete proposals of the budget and tax laws while its proposal on the general agreement is superficial and cannot be interpreted in connection with the above issues. In its statement, the LIGA national committee says: If the 1995 budget and the tax laws are accepted, this will make the agreement pointless because the room for maneuver will be restricted to such an extent that the agreement could then only be limited to supporting the government's policy.

Janos Borsik, cochairman of the Autonomous Trade Union Federation [ASZSZ], explained that his views coincide with Csintalan's views on many points because the ASZSZ always maintained that partnership relations are a bigger and more lasting value than a hasty TGM can be. "Talks on the TGM will have to be closed by January or February at the latest, otherwise the whole issue will lose its meaning," Borsik believes. He also said that the remarks of the civic organizations will also have to be taken into consideration in the TGM.

## Committee Head Views Coalition, Budget

*AU2211161094 Budapest MAGYAR NEMZET in Hungarian 19 Nov 94 p 10*

[Interview with Marton Tardos, chairman of the Parliamentary Economic Committee and member of the Alliance of Free Democrats, by Istvan Varga; place and date not given: "Is the Joint SZDSZ-MSZP Program in Danger?—Marton Tardos (SZDSZ) on the Coalition's Test"]

[FBIS Translated Text] [Varga] Laszlo Bekesi, finance minister, said the other day that "we are alone"; we cannot expect help from the West. This sounds poetic but it is a fact that none of the government's efforts to obtain money abroad have been successful. The agreement with the IMF has not been signed and we did not receive the 2 billion ECU from the European Union. Why the lack of success?

[Tardos] The east European countries have gone out of fashion; western Europe "did not find solutions to finance the region in the past, either," but now it is not even looking for alternatives. Hungary's foreign image was further worsened by the deterioration of the payment balance and the budget deficit increase. Although the financial situation is not the only indicator of success or lack of it, the West attaches great importance to this.

[Varga] Was it not strange that the government asked for ECU2 billion?

[Tardos] Why would it be strange? We need this money; why should we not try to get it? I feel that this was an unfortunate political move by the prime minister. It would have been better to wait to publicize the loan request when they were certain of getting a positive reply. Unfortunately, the refused request has negative reverberations.

[Varga] Would this money have been needed?

[Tardos] It would. However, first we have to talk about Hungary's alternatives insofar as managing its debt. The debt grew in the 1970's; we received the loans in accordance with the West's view of Hungary as the "jolliest barrack." They did not give us the $8-10 billion because western capital could not invest it better elsewhere.

[Varga] This ECU2 billion can be seen almost as debt rescheduling....

[Tardos] No, this is different. In my view, if someone has become indebted because his partner did him in for a political goal, then his request for support is not unjustified. This would not be a special favor from the West. However, we have to expect not to be given any help

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under the current circumstances. This is the reason Horn cannot be blamed for trying to assert moral reasons for the aid.

[Varga] I would nevertheless remind you that whenever the idea of easing or canceling the debts has been raised over the past few years, the chorus immediately started saying: This would shake the confidence of the money market and we would lose our credit. Don't these dangers exist anymore?

[Tardos] I recently attended a conference where the western democracies kind of commanded us to request debt rescheduling. However, in the time of the Antall government, the German and Italian Christian democratic politicians encouraged the prime minister not to request rescheduling. The western partners argued that debt cancellation would put them in a difficult position but they would grant us the requested amount in the form of support anyway.

[Varga] But they did not grant it.

[Tardos] These promises were not serious, just as the current ones are not. At the same time, many people in the West know that it would be advantageous in many ways to assist eastern Europe.

[Varga] But what would have happened it we had simply announced insolvency? This is what the Poles did and they are not doing so badly.

[Tardos] The debate on this still rages. Gyorgy Soros [Hungarian businessman living in United States] recently stated that he had earlier arranged debt rescheduling but his relationship with Jozsef Antall deteriorated, rendering the action impossible. I see this issue differently. Antall, whether he cooperated with Soros or not, tried to take measures. But his exploratory talks led nowhere. In the meantime, the economic and political situations were not at all conducive to announcing insolvency. In this situation, the country's significantly decreasing export revenue would have been the only thing it could have gained. As a result, we would have had to severely curb imports, which would have led to the economy's collapse. It was not worth taking this risk.

[Varga] The annual budget will always have to take the debt burden into consideration. What would happen if we were able to reduce the debt?

[Tardos] Next year, the budget would have more revenue than expenditure without the interest payments on the debt. If we had no capital burdens then we would not have to stop the positive processes—for example, the increase in investments, acceleration of industrial production, or the GDP's slight increase—in fact, they could be further boosted. Restrictions are necessary because economic processes would otherwise upset the budget balance and payment balance. As our foreign currency reserves are high, the situation is not critical. However, this cannot continue forever because we will soon use up our reserves if nothing changes. Painful measures can certainly be delayed for one or two years but definitely not for four years.

[Varga] Opposition politicians such as Ivan Szabo [Hungarian Democratic Forum] or Mihaly Varga [Federation of Young Democrats] argue that positive changes have started in the economy and we should wait patiently to see the results in exports or tax revenues.

[Tardos] This growth cannot be said to be lasting. The fact that personal consumption has not increased might be the strongest argument against restriction. Although incomes have increased, these were added to savings. This argument does not take into consideration the fact that state debts increased faster than the revenue resulting from growth in the economy. We cannot see any signs of growth that might help us pay back the debts in two years' time. For this reason, I believe that Szabo and Varga's arguments are political rather than economic. They are also correct that we could get through 1995 with minor restrictions. However, the Free Democrats believe that we could finish establishing order this year and next year, to be followed by lasting growth, and stabilization would be achieved by 1996. However, the measures laid down in the budget are not sufficient to achieve this. Time is also running out because as we are getting further away from the elections; the chances for implementing a tough restrictive policy are decreasing. For the Alliance of Free Democrats [SZDSZ], the Bekesi program was attractive because it could have established the preconditions for lasting growth by 1996. There is no guarantee of this at the moment, and it is not even clear whether the Bekesi program will actually be implemented. The MSZP [Hungarian Socialist Party] is unable to achieve a consensus in the Interest Coordination Coucil, in spite of the fact that it is the dominant force on all three sides. There is also a danger that should the MSZP eventually create a social and economic agreement, it would not be the one to serve stabilization.

[Varga] These seem to be serious charges.

[Tardos] In the SZDSZ's view, the promises that were formulated in the joint program are in danger. However, we can still see some chance of implementing the government program or something similar.

[Varga] What if it is not implemented....

[Tardos] This is a different situation and we will have to talk about it when it happens. Stabilization was the essence of the coalition cooperation and if this is not achieved then there is no point in governing jointly. However, it would be too early to say that it is over. The Bekesi program is still in force.

[Varga] Parliament accepted the supplementary budget a few weeks ago, after many delays. Are you not worried that we will again witness a similar play for time?

[Tardos] The reason the supplementary budget was necessary was not due to an immediate crisis looming. It was

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needed because the steps included in it had to be taken before the end of the year. Just to remind the people, the value added tax and the 30 percent energy price increase were left out of the supplementary budget, and the pension increase was not postponed. In this sense, the 1994 supplementary budget was a flop.

[Varga] How do you expect the budget debate to end, given that the coalition's economic policy was criticized at the Nanasi street meeting of a section of the MSZP's parliamentary group?

[Tardos] It is the MSZP's problem that some of its deputies do not agree with the officially accepted government program.

### Report on Trade Along Southern Border

*AU2711193594 Budapest MAGYAR NEMZET in Hungarian 24 Nov 94 p 7*

["halasz"-signed report: "Csongrad: The Border Is Not an Obstacle Any Longer—Cognac in Any Amount"]

[FBIS Translated Text] In Csongrad County [southeast Hungary], shopping tourism along the border has long grown out of the limits that could still be called "normal." Yugoslavs are invading the country's southern region like Attila the Hun's troops used to attack Europe at one time. On weekends, the number of people coming to shop can be as high as 30,000.

According to economic observers, the population of the Vojvodina, southeast Transylvania, and Csongrad County have been living in a "symbiosis" since the change of the regime. The border is not an obstacle any longer. In this corner of southeast Europe, economic links thoroughly interlace everyday life. The Balkans War has particularly amplified this special form of European coexistence. Some 5,000 to 10,000 Yugoslavs are living in Szeged; they mostly fled from conscription, but many of them moved their seat and living place to southern Hungary because of the big opportunities in the consolidated business life. At the shores of the Tisza River alone, some 1,500 to 2,000 foreign joint ventures are operating. They brought in an inestimable amount of capital, gold, dollars, and German marks to establish a new life here. The value of assets that were countersigned and legalized by friendly lawyers amounts to many billions of forints. Hungarians who fled from the Vojvodina regularly help those who stayed at home but they also conduct lively trade with the homeland by getting around the walls of embargo. To reach the homeland, trade links are often created through Macedonia [The Former Yugoslav Republic of Macedonia] or Croatia to avoid the official bureaucracy.

All that can be taken across the border can be sold because the level of shortages is stunning in rump Yugoslavia. Serbian citizens are buyers for everything from raw material to the most modern computers.

The only problem is—and it cannot be underestimated—that marks and dollars are needed for the purchases. Dinars are not accepted on the black market in Szeged, payments can only be made in foreign currencies. Where the southerners get their marks from is an insoluble secret even for the most seasoned Hungarian tradesmen. According to estimates, as much as some 200,000 to 500,000 German marks are changed into forints by dealers between Roszke [southern border town] and Szeged each day. Everything is bought from salami to toilet paper, and sports clothing to medicines. A shopping center was built three years ago a few kilometers from the border at Roszke which can compete with any Western shopping center in its size and selection of goods. On weekends, Yugoslavs invade it to such an extent that armed guards have to keep the order, and the shop assistants refill the shelves every hour.

This snapshot also proves that this is much more than simple shopping tourism. Southern Hungary has turned into an economic area where people mutually help each other and more than 10,000 people are making a good living out of this. From Hungary, few people go to Szabadka [Subotica] or Palic any longer as they did in the 1970's. Mostly it is only businessmen who travel there to get a place in a local enterprise or corporation because they expect that they will be able to make good profits from the unlimited trade possibilities when the war is ended.

However, it is not a problem even if the Yugoslav coming to Hungary does not have any foreign currency; he brings honey, walnuts, pure alcohol, Napoleon cognac, or early peppers and tomatoes, he sells them at half price and gets forints. The smuggling of alcohol has been popular for decades; many families in Szeged became prosperous from the Yugoslav cognac that has a low domestic tax, and the original accumulation of capital was also started by the pure alcohol. Owing to the alcohol, many people invested the "saved up money" in oil and gasoline because a liter of Hungarian fuel can be sold for between two to five German marks on the other side of the border. Many university students from Szeged have also become involved in this trade. I know quite a few students who earn some 10,000-15,000 forints a day by making three trips with three tanks full of gasoline. The "experts" do this business on a large scale, they can operate 50 to 100 cars a day and their annual income amounts to the net profit of a small bank. The embargo, thus far, has caused some $2 billion in damage to the Hungarian state but many native citizens of the southern area have gained much from the Yugoslav shortages. The official number of unemployed in Csongrad County exceeds 10,000 but many enterprises in Szeged advertise for employees in vain because hardly anyone will apply.

Lately, the number of people coming from Romania has been decreasing, the turnover from this direction has been reduced because, since September, people coming from there have to pay 15,000 lei to Romanian customs. The Romanians mainly add to the black labor market.

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They come to work for "peanuts," for half price, mainly to do agricultural work along the Maros River. They work for a humiliating sum, 5,000-7,000 forints a month, but they are happy even with this amount because, from this, they can support their relatives who are even poorer.

### Police Officer Views Danger of Drug Mafia

*AU2511123594 Budapest NEPSZAVA in Hungarian 24 Nov 94 p 4*

[Irene Szabo report: "Intelligentsia on Hard Drugs—Fight Against the Mafia Has To Begin in the Offices"]

[FBIS Translated Text] "Hungary is the mafia's bank. Gangsterism, as a new phenomenon, has appeared in all countries of Eastern Europe since 1993." Retired police Colonel Sandor Opal quoted these statements from western researchers in one of his studies. According to Opal, rather than whether organized crime exists at all in Hungary, for a long time the question has been: What do our politicians know about the big international crime syndicates. Opal spoke to NEPSZAVA and MAGYAR NEMZET.

Opal, who has been researching the history and methods of the various secret political and criminal organizations for 30 years, finds it unacceptable that a mafia member cannot legally been taken to justice because the law in force handles certain crimes on the level of one-off thefts and, according to this logic, the phenomenon of the mafia does not exist.

Profiteering is currently the most primitive level of organized crime. This is common in Hungary and, according to Opal, a free path is given to this act in Hungary because the competition control committee does not have powers to see whether equal partners make contracts with each other. The mafia members who already have capital come from this group of criminals, and sooner or later they are recruited by the professional underworld or by one of the already centralized criminal groups.

West European countries have a daily need of some five metric tons of heroin in respect of already known drug users. Hashish, marijuana, and the opiates are usually transported overland from the producers to the users. Opal claims that out of the countries of the Danube basin, Hungary is an ideal transit country, because the lead-sealed trucks and railway carriages are not checked due to the lack of international agreements.

In reply to our question, Opal said that many people underestimate the danger of drugs in Hungary because, according to our domestic registries, we only have 8,000-10,000 hard drug users. "The majority of the domestic hard drug users are leading intellectuals, businessmen, and other influential people. I base this statement on my personal experience and on the views of medical experts; however, the data was also confirmed by the report of the inter-ministerial committee dealing with this issue which was published in October," Opal claimed.

As we have learned, Interior Ministry experts still have not been able to enforce a policy that the officers of armed forces be checked for drug abuse at least once a year. "I am convinced that until narcotics tests are made compulsory for people filling confidential positions, no one will be able to tell the extent of the drug use. A gram of heroin costs $100-150 on the black market. This is one of the factors that limits the range of drug users in Hungary. In the developed western countries, state and public service employees would not even think of questioning the legality of narcotics tests, or the declaration of assets, announcement of foreign links, and the ban on business enterprises that are incompatible with their positions. Especially because all these are laid down by law," he said.

In conclusion, he said that the fight against the mafias which undermine the economic and domestic political life has to begin in the offices. Today, we cannot even say with certainty whether the mafia has infiltrated politics.

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## SLD Said Ready To Nominate Defense Head

*WS2511152594 Warsaw GAZETA WYBORCZA in Polish 25 Nov 94 p 3*

[Article by "(an, dom)": "Milewski as a Compromise"]

[FBIS Translated Text] *The coalition has agreed that the Democratic Left Alliance [SLD] should have the privilege of nominating the new head of the National Defense Ministry [MON]. This was learned unofficially by GAZETA WYBORCZA from an influential SLD politician. The candidate will probably be Jerzy Milewski, former head of the National Security Office.*

At a meeting held on Tuesday, members of the coalition compiled a list of possible defense minister candidates. "There are three names on the list, including Jerzy Szmajdzinski and Jerzy Wiatr. We are now trying to reach an agreement with 'Vice President' Wachowski on the issue," our informer told us.

As we have learned, Szmajdzinski, head of the Sejm defense committee, does not covet the ministerial post. He knows that he would have to enter into a conflict with President Walesa and probably with the generals. Also, Szmajdzinski is secretary general of the Social Democracy of the Polish Republic. If he became defense minister, he would probably have to resign. "Most probably, he would be minister for a very short time, and then he would not have anything to which to return in the party," says one of Szmajdzinski's colleagues.

SLD politicians have not yet made up their minds about the candidacy of Wiatr.

"The third man" is most probably Deputy Defense Minister Jerzy Milewski, who came to head the ministry after Piotr Kolodziejczyk's dismissal. "Milewski did, in fact, take sides with Kolodziejczyk in the so-called Drawsko affair, but, if he groveled, perhaps Walesa would forgive him. He is fine with us," an SLD politician told us. Thus, Milewski seems to be a candidate of compromise for SLD leaders.

Anyway, if a stalemate were to develop in the course of nominating a new minister, the SLD could not count on having one of its men head the ministry in the interim period. "If the prime minister and the president fail to reach an agreement, Jerzy Milewski, being the first deputy, would become minister anyway," observes Professor Lech Falandysz, of the president's office. According to provisions in the Small Constitution, the prime minister appoints under secretaries and secretaries of state at the initiative of a minister. A new acting deputy minister can thus not be appointed when there is no minister.

## Pawlak Proposal for Post

*LD2711192794 Warsaw TVP Television First Program Network in Polish 1830 GMT 27 Nov 94*

[Relayed by Warsaw TV Polonia network]

[FBIS Translated Text] The government's press office has just sent us a message that, during a meeting between President Lech Walesa and the prime minister, Mr. Waldemar Pawlak proposed to Lech Walesa the possibility of putting forward a Democratic Left Alliance [SLD] candidate to the post of minister of national defense.

Because the president upheld his support for the candidacy of Wojciech Okonski, the prime minister proposed that the defense minister's portfolio be taken by a person who has no allegiance to any political party.

According to the government's press office, the president has not ruled out this possibility.

The government coalition will discuss the appointment of the head of the Ministry of National Defense on Tuesday.

## Commentary on Presidential Power, SLD Stand

*WS2311134494 Warsaw RZECZPOSPOLITA in Polish 22 Nov 94 p 5*

[Commentary by Jerzy Pilczynski: "A Question of Principles or Current Situation"]

[FBIS Translated Text] During the convention of the Social Democracy of the Polish Republic [SdRP] in Warsaw, Aleksander Kwasniewski called upon leftist activists to support the concept of a strong presidency. The leader of the Democratic Left Alliance [SLD], who is also chairman of the National Assembly Constitutional Committee, quite surprisingly changed his position on the issue. In the election campaign, the SLD quite openly advocated the idea of a parliamentary-cabinet system, and, in its draft constitution, it wanted to limit the powers of the president, even in comparison with the presidential powers granted by the Small Constitution. Besides, the constitutional debate conducted in the National Assembly in September and the discussion in the Sejm on the same subject, held a month later, proved that parliament members, with few exceptions, are definitely against strong presidential powers.

Kwasniewski tries to laugh off the matter, saying that if the SLD "is seriously thinking" of winning the presidential election, it must introduce to the new constitution solutions that give real influence to the head of state. Otherwise, the elections are not worth any effort, says the SLD leader, taking over the president's arguments. Jerzy Wiatr adds that the SLD stands a good chance of winning the presidential election and the constitutional referendum. In this way, "the wheel of history" would turn full circle, and the left would regain all of the power.

Thus, the SLD has changed its stand radically and abandoned its principles in this area. A possible explanation of this might be the following: The SLD has decided to go for the whole jackpot, and its leader has decided to run in the elections.

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Another explanation is also possible: Kwasniewski is coaxing the president, trying to weaken the possible anticonstitutional front that would consist of the extraparliamentary right, Solidarity, and the church. Quite recently, another SLD leader, Jozef Oleksy, said that, as for the constitution, it is necessary to make concessions to the church if one is thinking of winning the constitutional referendum. This subject was also brought up several times at the SdRP meeting.

All of these possibilities are disquieting. Drawing up the constitution under the influence of temporary political games and election campaign as well as ignoring substantive arguments will not help us have a good basic law. Since work on the new constitution began, it has been stressed that the new constitution should not be created against or in favor of someone. Unfortunately, our tradition in this area is not very good. The March Constitution was dominated by fear of the marshal [Pilsudski]; the April Constitution favored him. Can we not free ourselves of this ill fortune?

A definite majority of the political class, as well as constitutional lawyers, believe that we are in sore need a new constitution. Many crucial arguments support this point of view. The opinion that the constitution should not be prepared in times of political turmoil is voiced much less often. Is this opinion really correct?

## Bugaj Asks UW, SLD To Form Election Bloc

*WS2811115194 Warsaw GAZETA WYBORCZA in Polish 28 Nov 94 p 3*

[Article by Dominika Wielowieyska: "UP Approaches UW and the SLD With a Suggestion To Field One Presidential Candidate: Watch Out for Walesa!"]

[FBIS Translated Text] *Ryszard Bugaj is trying to persuade his colleagues from the Union of Labor [UP] to support a candidate who would be capable of standing up to Lech Walesa in the presidential elections.*

The UP leader warns that, if the current president is reelected, a crisis of Polish democracy may arise. Walesa will violate the law more often than he has so far. In addition, the Freedom Union [UW] and the Democratic Left Alliance [SLD] came under criticism during Saturday's session of the UP National Council.

### The Union Criticizes the Union

"I see the UW waning when it comes to its defense of democracy. Proof of that was an interview Donald Tusk gave to TYGODNIK POWSZECHNY, in which he spoke of a dramatic dilemma: whether to support democracy even at the cost of slowing down reforms, or support someone who will guarantee a transformation of the system by violating the laws of democracy," says Bugaj. "Although the UW leaders were embarrassed by what Tusk said, who knows if part of the UW constituency does not support such antidemocratic concepts."

Bugaj criticized the postulates of Mazowiecki's party regarding the budget. According to Bugaj, they would cost the state 50 trillion zlotys. "That is manipulation," says the UP leader. "The Union assumes it can propose as many irresponsible amendments as it wishes because the coalition will not vote them through anyway."

Wojciech Lamentowicz, in turn, accused UW of criticizing Pawlak's government for those elements of economic policy that are a continuation of the Union government.

### The Social-Liberal Camp

Despite the accusations, Bugaj let it be known that it is possible for his party to cooperate with UW. Other UP politicians did not hide their disappointment with the Polish Peasant Party, with which they had very close ties just one year ago. Bugaj fears that, if UP does not cooperate with anyone, it will scare off voters as a party incapable of compromising.

According to Bugaj, a huge coalition should be formed only for the duration of the election. Otherwise, Bugaj fears, Poles will have to choose between Kwasniewski and Walesa in the second round of elections. The UP leader warns that Walesa has a chance of winning if the church, part of the right wing, and a portion of Solidarity support him.

"Some of the UP members are aiming at fielding a party candidate, but we have to consider the interests of the state," argued Bugaj. UP's unofficial candidate is Aleksander Malachowski, current deputy speaker of the Sejm. A huge number of party members, however, would prefer a politician capable of securing the votes of supporters of other parties, such as Tadeusz Zielinski or Jacek Kuron.

Bugaj believes that a camp of social-democratic parties, made up of UP, UW, and the SLD, could be formed to support a candidate acceptable to all those concerned.

The UW leader does not like the fact that Aleksander Kwasniewski (head of the Constitution Committee) is ready to back away from many leftist postulates in the draft constitution. UP, on the other hand, demands that the act limit presidential powers, such as depriving him of the right of veto.

"Holding that right, the president can block the work of government," says Bugaj. "Especially Walesa, who, if reelected, will be responsible only before God and history. He cannot run for a third term, therefore he will not feel threatened by verification in elections."

## Party Leaders on Formation of UW 'Factions'

*WS2511142994 Warsaw ZYCIE WARSZAWY in Polish 25 Nov 94 p 2*

[Article by Piotr Zaremba: "UW's Left Wants Forum"]

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[FBIS Translated Text] *The Democratic Forum [FD], formed by the left wing of the Freedom Union [UW], is scheduled to meet on Saturday. It remains unknown whether UW will agree to its foundation. Tadeusz Mazowiecki is against the FD.*

The FD is made up of the ideologically more leftist wing of UW. Among its members are Wladyslaw Frasyniuk and Zofia Kuratowska. A founding meeting of the FD is scheduled for Saturday.

Because the UW statute forbids the formation of factions, the FD would not be formally treated as one and would thus not have the right to issue separate statements. Its formation, however, has to be approved by the UW National Council. Many UW politicians say it might not agree.

"I do not think the Forum will be outlawed," said Krzysztof Dolowy, one of the FD founders, to ZYCIE WARSZAWY. "It is true that Tadeusz Mazowiecki accuses Frasyniuk of trying to split UW by forming his own structure. Banning the Forum, however, could be interpreted as a sign that the party should split."

"I would not exclude the possibility of banning the formation of the FD if it were an alternative party within UW," says Jan Maria Rokita, a member of the UW Presidium. "If it adopted a different position on the budget, had a separate concept for the constitution, or put forth its own presidential candidate, well, it seems that the founders of FD have abandoned such an idea."

"They have not presented the Presidium with a statute, yet they have already launched activities and are making various statements," says another UW leader, Jan Litynski. Their assumptions are for the most part just, but their fervent activities, sometimes purely factional, are aimed at securing support at the party convention and manifesting unsubstantiated frustration. They are dominated by supporters of an agreement with the Democratic Left Alliance.

Among the objectives of the FD, Dolowy lists a revitalization of UW. "We should establish what our target constituency is to be, who is to have priority in the budget, who should carry out reforms." He would also like for the FD to compensate for the weakness of the so-called UW secretariats, which are "ministries" of sorts in the UW's shadow cabinet. In his opinion, they are currently inefficient.

Dolowy does not rule out the possibility that the FD will take a stand on the presidential campaign. "Because Hanna Suchocka has launched her campaign, perhaps a tendency will appear to support Kuron," he assumes. The Poznan division of the party supported her candidacy last Saturday. The founders of the FD, however, led by Frasyniuk, had earlier voiced their support for Kuron.

Frasyniuk's statements might add additional fuel to the conflict. In an interview with SZTANDAR MLODYCH, he said: "UW's major problem currently is Mazowiecki." He blamed the leader for inertia within the party and for pushing it toward the right.

"I do not recognize Frasyniuk. This is a heap of filthy denunciations," Litynski said of the interview.

Krzysztof Dolowy estimates that the FD has the support of 15 deputies, one senator, and approximately one-third of the party's members and supporters.

### SdRP Leader on Party's Coalition With UW

*LD2511181294 Warsaw PAP in Polish 1613 GMT 25 Nov 94*

[FBIS Translated Text] Bydgoszcz, 25 Nov—At a news conference held today in Bydgoszcz, Leszek Miller, deputy chairman of the Social Democracy of the Polish Republic [SdRP], said that a possible coalition of the Democratic Left Alliance [SLD] and the Union of Freedom [UW] could only be possible in the next term of parliament.

"In this term of office, an alliance between the SLD and UW is not possible," Miller said. "Every new arrangement that could now be formed in the Sejm would not be beneficial to the government, which is keen on implementing deep reforms."

The SDRP leader recalled that "the SLD ran its electoral campaign under the slogan: 'It cannot go on like this any longer,' and it referred to the rule of the Democratic Union [UD] and the liberals, which today make up UW. It would therefore be disloyal to the electorate and, at the same time, a threat to the SLD in the next election to enter into alliances with UW."

According to Miller, both parties have a lot in common at the policy level, but the electorate should be told of possible cooperation before the ballot.

### Republican Movement Holds Founding Congress

*LD2511200594 Warsaw TV Polonia Network in Polish 1830 GMT 25 Nov 94*

[FBIS Translated Text] The founding congress of a new party has taken place in Katowice. The party's temporary name is the "Polish Republican Movement" [Polski Ruch Republikanski, PRR]. Among the founders of the new party is Zbigniew Religa, until recently a leader of the Nonparty Bloc in Support of Reforms [BBWR], and several other members of that party.

[Begin recording] [Correspondent Jacek Dokutowicz in Katowice] Apart from Zbigniew Religa, the founding group consists of deputies Jerzy Eysymontt, Tadeusz Kowalczyk, Bernard Szweda, Marek Wielgus, and Henryk Dyrda. In their view, all political parties that have so far emerged have no vision of Poland.

[Professor Zbigniew Religa] A considerable majority of Poles do not identify themselves with any politician or any party. This is dangerous, very dangerous, hence the

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necessity to form a nationwide party that will set nationwide objectives and that will encompass a wide spectrum of society. We are neither white nor red, neither black nor green. We want to work toward a modern state, to build a modern Poland.

[Dokutowicz] Prof. Religa also denied rumors circulating recently, alleging that he is to run for the office of president. In the forseable future, our party is interested in the parliamentary, not the presidential, election. I will not run for this office and certainly not in the next election. [end recording] [Video shows general view of conference hall, displaying slogan 'What kind of Poland do we want?']

### Walesa Reportedly Refuses To Sign New Tax Law

*LD2611090594 Warsaw Radio Warszawa Network in Polish 0800 GMT 26 Nov 94*

[FBIS Translated Text] The RZECZPOSPOLITA daily has learned that the president refuses to sign the new tax law. The president has reservations about two rules on tax rates and the freezing of limits on housing expenditure. The president regards the making of temporary tax rates permanent in law as an attempt to violate the principle of the stability and certainty of the tax law. It threatens economic stability and slows down long-term planning of the development of economic entities. The president also protests the freezing of the indexation of housing investments, amounting to 511 million zlotys. In his opinion, this may halt the progress of the work that has already started.

### Provisions Set for Privatization in 1995

*WS2511153194 Warsaw GAZETA WYBORCZA in Polish 25 Nov 94 p 17*

[Article by Artur Morka: "Privatization 1995: Directions Specified"]

[FBIS Translated Text] *Next year the government plans to make over 27 trillion zlotys on privatization, 4 trillion of which are to be made on the sales of share certificates of the National Investment Funds [NFI]. For three days, deputies tried to specify "Directions for Privatization in 1995."*

"We want to sell eight or 10 enterprises in a public offer. I fear, however, that our financial market is too shallow at present," said Privatization Minister Wieslaw Kaczmarek. The list of enterprises to be privatized in the coming year include: Pollena Uroda in Warsaw, POLFA in Kutno, the Pulp-Paper Mills in Swiecie, and Elektrobudowa in Katowice.

Yesterday, deputies from the privatization committee finally approved the "Directions for Privatization in 1995" and the budget bill of the Privatization Ministry.

The largest controversies were raised by the commercialization project. "Will it be a method for escaping privatization?" the deputies wondered. According to the government project, the program is to be one of the basic forms of privatization in 1995.

"Commercialization should not hinder privatization. Until now, only the Mass Privatization Project has been delayed," Deputy Minister of Privatization Leszek Juchniewicz reassured us.

In the "Directions," deputies have placed the government under an obligation to solve the "problem" of commercialization and finalize work on establishing the NFI's by the end of the first quarter of 1995. They have also appealed to Prime Minister Pawlak to sign the list of members of the Supervisory Boards of the NFI's by the end of November.

"The 'Directions' are too vague, and they lack provisions obliging the government to keep its promises," the deputies said during the debate.

The deputies complained that the governmental "Directions" would make it difficult to supervise their implementation. They have thus included a provision obliging the government to present the parliament with draft laws on the State Treasury and reprivatization, as well as amendments of laws on the privatization of state enterprises as soon as possible.

Meanwhile, on Wednesday, the trilateral economic committee approved a draft law on the privatization of state enterprises put forth by a special committee for the Pact on Enterprises and has sent it for a preliminary reading to the nearest session of the Sejm.

Deputies from the Pact committee are advocating a project developed one year ago by the Freedom Union. The only difference lies in the amount of shares to be distributed among employees of the privatized companies. They would receive up to 15 percent of the company shares free of charge (according to the previous version, they would obtain 10 percent free and 10 percent at preferential prices).

According to Privatization Minister Wieslaw Kaczmarek, the competitive draft law that the government is currently developing is still in the phase of consultations at the ministerial level.

### Search for Distributor of Privatization Vouchers

*WS2811125794 Warsaw GAZETA WYBORCZA in Polish 28 Nov 94 p 18*

[Article by "(orka)": "Tender for Certificates"]

[FBIS Translated Text] *The first phase of a tender for the distribution of share certificates of the National Investment Funds [NFI] has been finalized. Only three firms participated, all of them moving on to the second stage.*

The list of companies that participated in the tender is confidential, but it could include one of the larger banks, such as the General Savings Bank-National Bank, or the Post Office.

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The Privatization Ministry invited tenders more than two weeks ago. Only domestic companies having at least 950 distribution points throughout the country were eligible. The companies had to guarantee that they can reach each of the approximately 28 million people entitled to purchasing certificates.

According to the ministry, the number of companies that entered the tender may be considered a success. "The required minimum of 950 distribution points eliminated the majority of companies in our market," said Andrzej Halicki.

The government document "Directions for Privatization in 1995" provides that the Mass Privatization Program is to begin in the first quarter of 1995, and the distribution of NFI share certificates by the end of June 1995. The certificates are to cost no more than 10 percent of the average salary and should be available for purchase for a maximum period of one year. Privatization Minister Wieslaw Kaczmarek wonders, however, whether that period will have to be shortened to six months. Otherwise, it may turn out that the majority of revenues from the sales of certificates will reach the State Treasury as late as 1996 and not in 1995 (budget revenues are estimated at 4 trillion zlotys).

The lack of Prime Minister Pawlak's signature on the list of members of NFI supervisory boards continues to hinder the Mass Privatization Program (the list has been sitting on his desk since the beginning of August). The Sejm Privatization Committee appealed on Thursday to the prime minister to sign it by the end of November, at the latest.

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### Iliescu, Egypt's Mubarak Discuss Relations

*AU2411071694 Bucharest Radio Romania Network in Romanian 2017 GMT 23 Nov 94*

[FBIS Translated Text] Egyptian President Muhammad Husni Mubarak arrived this afternoon in Bucharest for an official visit. Immediately after arrival, the Egyptian president was received at Cotroceni Palace by Romania's President Ion Iliescu. The two presidents held confidential talks that were followed by talks between the Romanian and Egyptian delegations.

During the talks, the sides discussed the domestic events and basic concerns and noted the similarity of processes in developing market economies, Egypt offering its good experience on privatization issues.

The talks revealed the special importance that the two countries must give to stimulating bilateral economic relations and contacts between Romanian and Egyptian businessmen. Likewise, the sides approached aspects of the international life of great interest, among them the peace process in the Middle East. In this context, Romania's contribution in supporting the efforts aimed at installing peace in that region were highly valued. Likewise, the sides agreed on the need to intensify dialogue at the highest level. The head of the Romanian state will pay a visit to Egypt.

Our correspondent Sorin Aman informed us that after the official talks, President Ion Iliescu hosted a dinner in honor of the Egyptian head of state.

### Mubarak Leaves

*NC2411121894 Cairo MENA in Arabic 1130 GMT 24 Nov 94*

[FBIS Translated Excerpt] Bucharest, 24 Nov (MENA)—President Husni Mubarak left Bucharest this afternoon on his way back to Cairo after a two-day official visit to Romania, the last leg of a European tour that also took him to Britain and Italy. [passage omitted]

### Nastase Evaluates Official Visit to Moscow

*AU2611213294 Bucharest Radio Romania Network in Romanian 2000 GMT 26 Nov 94*

[FBIS Translated Text] The Romanian parliamentary delegation led by Mr. Adrian Nastase, speaker of the Chamber of Deputies, returned to Bucharest tonight from an official visit paid to Russia at the invitation of Ivan Rybkin, president of the State Duma. In a statement given to journalists at the airport, Mr. Adrian Nastase gave several details about the aims of this visit.

[Begin Nastase recording] To begin with, I would like to tell you that I had some real reservations before my departure for Moscow. I thought that the program was not all that interesting, particularly because we wanted to convey a very clear message about relaunching our bilateral relations. However, in the end, we came to the conclusion—and I think we did very well to do that—that half a step forward is more important and useful than no step at all. Of course, it is less than what we would have wanted, but I believe that we did well to go there, because there is no point in pretending that there is nobody to the east of Romania and that everything is happening in the West and the Western hemisphere.

Therefore, I believe that the first conclusion of our visit is that Russia itself is a country divided among different and multiple options and among various centers of power. Consequently, we must learn to find them out and identify those who support certain options that are similar to ours. At the same time, we must ascertain the identity of the people with whom we must cooperate more closely. In this respect, I would like to say that the meetings I had with the president of the State Duma, Mr. Rybkin, and with other prominent figures of the Russian Federation's Parliament gave us an opportunity to speak our minds openly about the state of relations between Romania and Russia, particularly their future course.

We emphasized that Romania wants to conduct a policy open to all corners of the world, but that we do not want to play the part of either Cuba or Mexico, inasmuch as a great power would like to stabilize the situation at its outer frontiers or, as it is often called in Moscow, the near abroad. Romania is a country in the process of shaping its own independent destiny. However, in our philosophy of organizing our external relations, Russia represents a zone of interest, an important area, which we must cultivate and try to understand.

It is true that, in Moscow—maybe due to the fact that some of the people who met with us there did not know exactly what to expect from us—we lacked the possibility to address ourselves directly to the Russian public at large through television or other mass media channels, aside from references to certain collateral aspects linked to circumstantial tensions, particularly to the developments in Bosnia-Herzegovina.

But that is not the main thing. We consider our relationship with Russia as important, but, at the same time, we want to express our own doubtless interest in the evolution of the situation in the Republic of Moldova and in other concrete problems, so to say, such as the situation of Deputy Ilascu [Ilie Ilascu, head of the Popular Christian Democratic Front of Moldova from Dniester, currently imprisoned in Tiraspol] and the fact that the economic relations between Romania and Russia have decreased in the past five years to almost $1 billion, which is one-fifth what they were in 1990. [end recording]

### Iliescu Interviewed on Domestic Reform

*MS2411104994 London THE EUROPEAN in English 25 Nov-1 Dec 94 p 12*

[Report on interview with Romanian President Ion Iliescu by Ian Mather in Bucharest; date not given]

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[FBIS Transcribed Text] Five years ago this Christmas, Romanians overthrew the dictatorship of Elena and Nicolae Ceausescu. Now Romania is preparing its application to join the European Union [EU].

But is the country ready? Five years after the revolution, a team consisting mostly of reformed communists, led by President Ion Iliescu, is in charge, having won not one but two general elections—in 1990 and 1992. Opponents accuse Iliescu not only of hijacking the revolution from the younger generation which created it but also of being tainted by totalitarianism, extreme nationalism, and a devotion to state monopoly of industry.

In a frank exclusive interview with The European in the presidential palace in Bucharest, Iliescu accepted some of the criticisms, but also hit back and insisted that Romania was on track for membership of the EU.

Some of the fiercest criticism of the Romanian government focuses on its treatment of the country's 1.8 million Hungarians. Hungarian leaders are seeking autonomy for two provinces but, according to a new law, anybody who hoists a foreign flag or sings the national anthem of any other country will be punishable with three years' imprisonment.

Iliescu insisted that granting autonomy to minorities would threaten national and regional security, and he hit out at western European governments who criticise Romania while refusing to accept the concept of national minorities in their own countries.

"We have a highly developed system for the representation of minorities not only on a local level but in the national parliament," he said. "The Hungarian minority has 39 representatives in parliament. They have their own parliamentary group. Even very small minority groups are represented. The Greeks, the Turks, and even the tiny Italian minority are represented in parliament.

"You will not find such a representation of minority groups in many European countries. In France citizenship is the only concept for members of the state. The thought of recognising national minorities does not exist there.

"Here we have to take into consideration the diversity of our historical situation. We have our own traditions. We do not impose them on others and we do not judge others according to whether or not they follow our experience and recognise national minorities themselves. Those who do not even recognise the idea of national minorities should not pass judgment on us."

He insisted that Hungarians had their own institutions "where they can use their mother tongue", and that Hungarian students can study in Hungarian. "They have their own institutions, their theatres, radio and television stations, and their own publications."

Romania has been criticised for the slowness of its privatisation programme. Opponents claim that only two state enterprises have been genuinely privatised while others have been sold at knockdown prices to the members of the old nomenklatura. Progress towards a market economy is a condition of Romania's continuing membership of the Council of Europe and eventual membership of the EU.

Iliescu admitted to problems, but blames the political opposition and the "mentality" of people who have not yet recovered from years of communist dictatorship. He pointed out that his Party of Social Democracy of Romania, consisting of reformed ex-communists, does not have a majority. It depends on support from the former Communist Party, the Socialist Labour Party and the Greater Romania Party, a xenophobic anti-Semitic organisation.

"I don't think there is a lack of political will for privatisation," he said. "Privatisation is necessary for economic reform. But members of parliament who proclaim themselves in favour of privatisation oppose it in parliament because the government is proposing it. The logic of the political battle is often stronger than the understanding of the needs of the nation. It is a weakness of our political structure."

He admitted that out of 6,700 state enterprises, some 6,000 were still in state hands, despite the fact that a privatisation law was passed in 1991. But he hoped that by the end of the year both houses of parliament will have passed a law to accelerate privatisation.

"Thirty per cent of the shares will be distributed free to all the citizens as social compensation because these industries were built through the efforts of all the citizens, and as a measure to involve all citizens in the process.

"But that will still leave 70 per cent to be sold. The question is: to whom? There are two possibilities. The new private sector, which now employs one-third of the workforce, has generated some capital. But this will not be enough. So we are hoping that foreign capital will come to the rescue. But this is going to be a very difficult process."

In many ways Romania faces a harder task than most other countries that have emerged from one-party rule. With the exception of Albania, no eastern European state was governed as brutally as Romania. Nowhere did communism end as violently as in Romania where the dictators were executed and hundreds of people were killed.

This has left a formidable psychological legacy. According to Iliescu: "There is not only the problem of changing the laws and creating a market economy. We have to change the mentality of the people. Under the socialist system it was normal to wait for decisions from the top, and there are people who are still waiting for those at the top to solve all the problems. When they face difficulties they ask the government to provide the

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papers or the subsidies they need. Well, now that they have the authority to solve problems the people have to think in new ways.

"We have replaced the one-party monopoly with a real democratic framework. We have had an explosion of parties. More than 90 took part in the last election, and there are more than 30 in parliament.

"We have established the principles of a democratic state. The liberties and rights of citizens are guaranteed. The fact that the opposition can criticise is an expression of the new reality of our democracy."

Romania will become an associate member of the EU when Belgium, the last of the 12, ratifies the agreement, probably before the end of the year.

"We are entering a new phase in our co-operation with the EU," said Ilieseu. "Immediately after ratification we shall submit our request for full membership. But we are very conscious of the fact that there will be a process that will require us to promote reforms in a dynamic way to gain full membership of the EU."

The world is watching.

### CDR's Constantinescu To Run for President

*AU2611150594 Bucharest Radio Romania Network in Romanian 2000 GMT 25 Nov 94*

[FBIS Translated Text] A rally-cum-gala show entitled "This Cannot Go On, Comrades," was organized by the Civic Alliance [AC] at Bucharest's Palace Hall. At the beginning of the rally, writer Ana Blandiana said that the present moment, which comes halfway between the previous elections and the next ones, is a most significant one and requires a lucid political analysis. Mrs. Ana Blandiana said that Mr. Emil Constantinescu [president of the Democratic Convention of Romania—CDR] will be the opposition's candidate at the next elections.

Mr. Corneliu Coposu, president of the National Peasant Christian Democratic Party, denounced what he called the incompetent policy of the rulers, who are unable to administer the serious crisis experienced by the Romanian people. Mr. Corneliu Coposu expressed the conviction that, at the next elections, the choice of the majority of the electorate will totally discredit the current rulers.

The other speakers also accused the authorities of incompetence, of confiscating the revolution, and of ill-will. The rally was addressed by deputies Constantin Ticu Dumitrescu and Varujan Vozganian, by actor Ion Caramitru, by representatives of several revolutionary organizations, of the Confederation of Free Trade Unions of Romania, of the Romanian Diaspora, of the League of Students, and by journalists.

### SRI Chief Briefs Press on Security Threats

*AU2411162794 Bucharest Radio Romania Network in Romanian 1400 GMT 24 Nov 94*

[FBIS Translated Text] Mr. Virgil Magureanu, director of the Romanian Intelligence Service [SRI], together with some of his aides, including the chief of the SRI Press Bureau and the chiefs of the main divisions, held a news conference today, at the Parliament Palace. The news conference was opened by the chief of the Press Bureau, Mr. Nicolae Ulieru, who presented certain statistical data about the state of our national security and the various intelligence threats against it. In this respect, he said that the threats against the democratic institutions, civic rights and freedoms, the economic stability, and the defence capability amount to 32-33 percent. The danger of various plans and actions aimed at suppressing the state's sovereignty, independence, and integrity amount to some 7-8 percent. The danger posed by secret organizations and activities amounts to 5-6 percent. There is also a danger of illegal operations with arms and ammunition, which amounts to 3 percent. The terrorist threats amount to some 3 percent of the overall intelligence picture put together by the specialized agencies.

In his speech and answers to the questions put to him, SRI Director Mr. Virgil Magureanu said that the foreign powers are displaying a keen interest in the economic, political, and social situation in Romania, due to our country's geopolitical position in Europe. However, Mr. Virgil Magureanu pointed out, at this time there no major imminent threats against Romania.

The participants in today's news conference expressed great interest in the forthcoming White Charter on the Securitate. This book, which is currently being prepared for publication in three volumes, will contain archives information and documents about the most serious crimes, abuses, or illegalities in which the Securitate was involved, including documents on the Securitate's evolution.

### Intelligence Service Submits Report to Parliament

*AU2311174494 Bucharest ADEVARUL in Romanian 21, 22 Nov 94*

[Report by the Romanian Intelligence Service submitted to Parliament]

**[21 Nov p 3]**

[FBIS Translated Excerpt]

**National Security Threats: 1. The Defense of the Rule-of-Law State**

The specific activity of the Romanian Intelligence Service [SRI] to defend the rule of the law has been conceived and mainly carried out with a view to identifying, preventing, and countering various threats posed to our national security, as stipulated by Law No. 51/1991.

The overall threats to the Romanian state's constitutional order remained—as far as their sphere of action and degree of virulence and complexity are concerned—at the level registered in the period covered by the SRI activity report present to Parliament in 1993.

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The information gathered by the SRI in the October 1993-September 1994 period proves the existence of certain attempts to integrate and promote various anti-constitutional actions by emissaries of nationalist-extremist organizations from abroad, with the assistance of certain individuals from our country that share their ideas, in order to influence certain ethnic communities in Romania.

The actions, whose aim is to exacerbate nationalism, have increasingly acquired extremist and separatists overtones. In spite of all that, an overall analysis of the data obtained through specific intelligence work shows that the state's basic values, such as its national sovereignty, unity, and territorial integrity, are not in imminent jeopardy right now.

The balance sheet of the operational-intelligence activity of preventing and countering the threats posed for the state's national security reveals that actions like the aforementioned ones have been arranged in advance, but only had an isolated character and failed to meet with the expected response among the respective ethnic communities; some of these actions were disavowed and countered even by the members of these communities.

This is yet another relevant argument in favor of the conclusion that, despite the efforts aimed at turning interethnic relations into a potential vector against the Romanian state, there are no tensions and conflicts in the relations between the majority population and the various minorities in our country. Moreover, on a map of good interethnic relations in Romania, one can mention as exemplary the regions around the cities of Arad, Timisoara, Sighetu Marmatiei, Sibiu, Brasov, and, last but not least, Constanta, where the "Dobrogean interethnic model" was assessed at a recent symposium on minorities as exemplary for the coexistence of nationalities in the common Romanian space.

In spite of the fact that attempts are being made to accredit the idea that Romania is faced with explosive nationalist dangers from several directions, the reality shows that, so far, we are only dealing with some excessively and deliberately media-oriented actions committed by several extremist pressure groups, whose number is so far reduced, but which are fervently supporting and promoting irredentist nationalism in particular as well as neorevisionism.

Without minimizing their impact, we must emphasize that the calls to confrontation with the state authorities and the majority population have met with a modest response, since the predominant orientation and trend is toward dialogue and legal political actions, which are considered as the only way to correctly solve litigious issues.

For instance, we note that the neorevisionist and anti-Romanian attitude of certain extremist Hungarian ethnics has not managed to negatively influence the natural relations of coexistence between Romanians and Hungarians. Receptivity to and the impact of this neorevisionist and anti-Romanian behavior were rather limited among their fellow nationals. Moreover, in certain situations, the Hungarian ethnics, including their prominent figures, rejected and combated certain extremist initiatives and came up with concrete proposals designed to eliminate tensions in the relations between the Hungarian minority and the majority population.

In that respect, it is worth mentioning the attitude of journalist Nagy Istvan Koszta, president of the HITEL ERDELY SZEMLE Foundation of Miercurea Ciuc, who, at a meeting of the local branch of the Democratic Union of Hungarians in Romania [UDMR] on 24 August 1994, criticized the campaign to collect signatures in favor of a draft bill on education for the national minorities, which he termed a "disguised referendum" aimed at restoring the influence and credibility of its organizers, at the expense of creating tensions in interethnic relations.

A similar and most significant attitude was adopted by Bucharest journalist Janos Szasz on receiving the 600,000-lei prize from the Union of Hungarian Journalists for 1993. He declared his intention to use the respective money to set up a foundation to promote an improvement in the Romanian-Hungarian relations.

It is also worth mentioning that, according to SRI information, the constructive position and correct attitude displayed by the members of the Hungarian nationality in our country in their relations with the majority population have been much ahead of the excessive prudence and reticence shown by the Hungarian officials in relations with Romania.

The intelligence data reveals that, to the extent that certain Romanian citizens of Hungarian nationality have committed anticonstitutional acts, these actions were largely due to the anti- Romanian propaganda, revisionist incitement, and direct interference from abroad.

As is known, as early as during the 1989 December events, certain extremist opinions became manifest calling for the proclamation of the "autonomy of the Szekler Hungarian territory." Later on the partisans of such ideas reunited within the grouping called the Transylvanian Hungarian Initiative headed by Adam Katona, an organization that was officially registered in March 1992 and the platform-program of which sets as a fundamental objective the achievement of self-determination by imposing every form of autonomy, including territorial autonomy (Article 4 of the platform-program.) What they understand by the right to "territorial autonomy" was recently revealed by an authorized representative of the initiative, according to whom that frequently circulated term automatically presupposes the right over the resources of the territories where autonomy has been recognized, an idea that is at variance with the concept of the unitary national state as stipulated by Article 1 of Romania's Constitution.

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The anticonstitutional actions of the members of the aforementioned initiative are materially backed from abroad. In that context the cases of certain foreign public institutions' officials being directly involved in the coordination of extremist tendencies in Romania is quite telling. Such an official, while attending a meeting of the Transylvanian Hungarian Initiative, called for the leaders of that grouping to previously inform competent foreign persons about all of their separatist efforts so that they could be backed from abroad, including by the exertion of pressure.

Another such an official made over 30 visits to Romania within a single year—most of which coincided with certain activities carried out by the aforementioned initiative—and directly contributed to the elaboration of certain documents calling for foreign backing of the need for separatism.

The same representatives of certain foreign public institutions were involved in the publishing in Budapest of a "Memorandum on the Achievement of the Autonomy of Hungarian Communities in Slovakia, Transylvania, and Vojvodina," and at the same time they took action to persuade several figures among the ethnic Hungarians to recognize and sign that document. Later the document was published in Romania with the mediation and under the signature of Jozsef Csapo.

Further on, the emissaries of the same groupings frequently attend commemorative events that, being at variance with historical truth and the feelings of the majority population, might cause tension that could degenerate into possible conflicts of a destabilizing nature.

Also significant are the incendiary and slanderous actions undertaken by Maria Eva Barki, leader of the Hungarian diaspora in Austria, propagating feelings of hatred and contempt for the Romanian nation, who, considering herself the defender of the rights of the ethnic Hungarians in our country, presents their situation in a deliberately false way to various international bodies and Western decisionmakers, with the purpose of harming Romania's image and interests abroad. Similar activities are carried out by other persons belonging to the leadership of the Hungarian diaspora in the West, nostalgically cherishing Horthyite ideas or animated by neofascist and extremist feelings.

Certain employees of special foreign services acting on Romania's territory under various covers are also directly involved in the carrying out of such actions. Relevant to this is the case of a foreign citizen who—speculating with the prerogatives accorded to him by his state—regularly attends extremist manifestations in various places in Transylvania and stimulates anti-Romanian and anticonstitutional positions and opinions.

Conclusive is also the preoccupation of persons belonging to certain foreign intelligence bodies active in Romania who stir up people to call for separate education for the ethnic minorities and its continuation in forms that ignore the national educational system and elude the competence of the national administration.

At the same time our attention was drawn to the fact that a foreign representative accredited to Romania, during his various meeting with representatives of the ethnic Hungarians, circulates irredentist theses and ideas, stirs up intercommunity hostility, and is even involved in efforts to replace the leader of the ethnic community in question with a person to his personal liking. The actions of the aforementioned persons did not fail to have negative consequences. For instance, two persons belonging to that ethnic community in Romania have adopted the separatist-diversionist theses of that person and carried out actions violating our laws. By means of measures specific to the SRI activity we managed to prevent his ideas from being put into practice. [passage omitted]

**[22 Nov p 9]**

[FBIS Translated Excerpt]

**National Security Threats: II. Defending Economic Interests**

The steady concern of the Romanian Intelligence Service [SRI] with examining and evaluating the national security situation in the economic sphere has revealed the appearance and manifestation inside the country of a series of phenomena which can be characterized as risky or threatening for Romania's economic stability. Likewise, it has also noted an intensification of actions capable of harming our country's economic interests, actions which are promoted by foreign intelligence services, circles, and groups.

It must be emphasized that many of the actions carried out by foreign entities, in which Romanian individuals or even economic units are also involved, are initiated and carried out for the sake of making profits. Nevertheless, due to their scope, to the nature of their sphere of manifestation, and to their possible consequences, these actions may contain elements of risk or threat to the economic facet of the country's national security. That is why they entered into the SRI's sphere of concern. [passage omitted]

The SRI has identified actions by certain firms and big companies aimed at monopolizing the domestic market, through the elimination of local products, taking control over certain fields and branches of the national economy, and influencing, through financial maneuvers or various other conditions attached to business deals, the economic evolution of certain strategic sectors of national interest. [passage omitted]

In that respect, the SRI noted that the foreign intelligence efforts mainly focused on gathering the necessary information to prepare and initiate actions designed to harm our national interests in the sphere of geological

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research and the utilization of the country's various mineral resources. On the basis of available information about the aggressiveness shown by some representatives of foreign companies—who may also resort to specific espionage means in order to attain their goals—the SRI became aware of the situation and took preventive steps in a number of instances. [passage omitted]

The information obtained by the SRI from cases under investigation also helped uncover and expose the intentions of certain foreign interests in obtaining key positions and weaken the national decision capability in the sphere of the production of military technology, in the national nuclear energy program, and in certain areas of the aircraft industry.

Thus, in connection with the commissioning of the first unit of the Cernavoda nuclear power station, the SRI uncovered certain foreign actions to obstruct the finalization of this important project for the country's energy independence and to diminish the Romanian contribution to the project, as warranted by our real technological potential in this sphere. Regarding the defense industry, the SRI uncovered various espionage actions initiated and carried out by certain foreign companies aimed at weakening the respective production capability and at preventing the restructuring and modernization of relevant enterprises. In these two sectors of major importance for the country, the SRI notified the relevant bodies, operatively and on time, about developments and phenomena that could jeopardize our national interests.

At the same time, the SRI obtained and utilized information about the intentions of a certain foreign company to obtain control over the civilian aircraft production and repair units, in order to promote its own interests, something which might have seriously damaged the Romanian state.

Under pressure exerted through unfair means, attempts were made to conclude a contract for the modernization and manufacture of the ROMBAC 1-11 aircraft under conditions of major financial risk, to be exclusively supported by the Romanian party. Although the contract provisions have not become operative, the Romanian economic unit paid its foreign partner $1,000,000 for advertising purposes, although the future aircraft is still in its design stage and actually has few chances of ever being manufactured. In this case, the SRI notified various decisionmaking bodies and the Court of Accounts, which is now conducting its own investigation. [passage omitted]

The particular attention paid to identifying domestic and foreign threats to our economic stability was generated by the complexity and scope of these processes and phenomena, by their consequences on the economic and social planes, and by the relatively large volume of information obtained by the SRI through its specific channels and put to appropriate use.

## Dangers of Terrorist Groups Cited

*AU2311080194 Bucharest EVENIMENTUL ZILEI in Romanian 19 Nov 94 p 3*

["Excerpts" from the Romanian Intelligence Service Report to Parliament: "The Romanian Intelligence Service Reveals That Romania Serves as a Revolving Door for Many Arab Terrorist Organizations"]

[FBIS Translated Text] *The Parliamentary Oversight Commission for the Activity of the Romanian Intelligence Service [SRI] concluded its "Report on the Fulfillment by the SRI of Its Law-Stipulated National Security Provisions Over the October 1993-September 1994 Period."*

*As it is signed by all the commission members, one can surmise that the report's assessments are shared by each of them. Thus, the report emphasizes the SRI's "constant concern" with carrying out its duties duly to keep track of "all threats posed to Romania's national security" as well as of various totalitarian or extremist right-wing or left-wing activities and other likely dangers aimed at harming the state's fundamental interests, national sovereignty, unity, or territorial integrity.*

*We now present excerpts from that SRI report, dealing with some pretty spectacular occurrences from the twilight zone, including terrorist activity registered on Romania's territory. We mention that the titles and subtitles have been provided by our editorial board.*

### Mafia-Type Structures Are Expanding in Eastern Europe

The worrisome international expansion of the terrorist phenomenon, which is backed by a large realm of political interests and goals, has made the antiterrorist structure in our country expand its cooperation with other similar structures that belong to various intelligence services from various geographical regions, by giving priority to the links with the most advanced and democratic states from the Euro-Atlantic zone.

Consequently, various control and preventive measures were jointly taken against certain terrorist groups present in Romania. The measures were aimed at pinpointing the major concerns of these terrorist groups, gathering information about their goals in our country, and uncovering their involvement in the trafficking of drugs, armaments, and ammunition, which is designed to bring them the necessary funds for financing their programs, in view of the fact that their "t . litional" sponsors have disappeared.

A new element is provided by the offensive of the mafia-type traditional structures toward the Eastern European countries (including Romania)—in which the majority of terrorist groups are involved—in order to strengthen their logistical base and ensure the undercover implantation of their foot soldiers.

The data and information gathered for the relevant period indicate that the ethnic terrorist groups and

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organizations—some of them following separatist purposes—have extended their sphere of action outside their countries of origin and are manifesting themselves very actively and aggressively; they are prepared to resort to further extremist methods, until they reach their basic goals.

**Kurdish Extremist Organizations Are a Real Danger for Romania**

In that respect, from the specific viewpoint of SRI's profile, the actions of the Kurdish extremists—who are engaged in a real war against the authorities of Turkey and initiate, organize, and carry out terrorist acts against Turkish interests abroad—are of special concern. A real danger for our national security is the alarming presence in Romania of a significant number of members and supporters of the Kurdish extremist organization, due to the ongoing conflicts in their countries of origin and the steps taken against them by the authorities of certain Western states in the wake of the terror acts committed by them.

The present data attest to the fact that the activity of this kind of people, who are organized in action-group cells, is carried out under the cover of certain trade companies set up at the order and with the financial backing of the coordinating center. This activity is mainly directed at gathering information about Turkish interests in Romania, with action being taken against them the moment the order is received to carry out a terrorist act against those targets. This activity is subsidized by dues from the members of the respective organizations, by money extorted from Turkish businessmen, and by profits gained from the traffic in drugs, armaments, and ammunitions.

Quite relevant is also the propaganda activity carried out by these people against the Turkish authorities, both among the Kurdish population and among other foreigners temporarily staying in Romania.

The danger of these organizations also resides in the fact that they have effectively proceeded to eliminate certain political opponents and persons, who support the Turkish authorities in any way.

Intelligence checks have revealed that many trade companies headquartered in Bucharest, with branches in Constanta, Suceava, and Arad, are used by the Kurdish extremists as fronts in their covert activity. Likewise, in the majority of county seats, they finance various trade companies used for the same purpose.

On the basis of data gathered by the SRI, the Romanian lawful bodies have taken legal steps against more than 10 members of the Kurdish organizations accused of manslaughter, drug trafficking, illegal possession of arms, and peddling false travel documents.

In the same period, three Kurds were declared persona non grata in Romania, following their involvement in activities capable of harming Romania's national security.

**Islamic Fundamentalists Have Many "Bridges" in Romania**

To uncover terrorist threats posed by the accentuation of the Islamic fundamentalist offensive, particular attention was paid to the existence on Romania's territory of well-knit structures of such organizations as Hizballah, the Muslim Brotherhood, the Party of Islamic Liberation, Hezbelahrir [name as published], Mojahedin-E-Khalq, Islamic Tawhid [name as published], and Amal al-Islami [name as published].

The intelligence operations work carried out in this sphere has revealed that the terrorist organizations are recruiting new members and sympathizers from among Arab citizens studying in Romania, businessmen, and tourists.

Their activities were covert, done through various legally authorized professional, religious, cultural, or trade associations.

The terrorist organizations of Islamic-fundamentalist nature obviously aim, under the cover of such associations, at setting up Islamic centers in Bucharest, Timisoara, Cluj-Napoca, Craiova, and Constanta. They carry out an intensive activity of turning their members into fanatics and gathering intelligence about Israeli, U.S., Egyptian, and Syrian units and interests in Romania. They also sent their members to military training camps abroad.

Tasks and guidelines are handed down from the coordinating centers with headquarters in various European countries by envoys visiting Romania periodically or during conferences organized by legal Islamic associations.

We note that the activities attributed to organizations promoting Islamic fundamentalism and considered to be dangerous and illegal have been strictly separated in the report from other legal and constitutional actions of religious propaganda.

In this specific set of circumstances, investigations revealed that four leaders of Islamic fundamentalist organizations—the Muslim Brotherhood and Hizballah—committed acts that were incompatible with their legal status; consequently, they were declared persona non grata in Romania.

**The Branches of Various Palestinian Organizations Have Set Up Many Companies in Romania**

From among the Romanian citizens converted to Islam, some 20 young people were sent to military training abroad. In the future, they may become bases for possible violent terrorist actions on Romania's territory.

Three terrorists, members of such an organization, were identified and forced, through combined measures, to leave our country's territory.

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The nuclei of the Popular Front for the Liberation of Palestine, the Democratic Front for the Liberation of Palestine, and the Palestinian Liberation Front in our country strive to attract new members and sympathizers, particularly from among the Palestinian students and tradesmen, who are then going to carry out their covert activity in the various structures implanted on our national territory.

The various branches of these organizations are being financed both from abroad and from subsidies received from certain Palestinian businessmen, who set up companies in Romania, most of whom have completed their higher education in our country.

Keeping a constant watch over these dissident Palestinian groupings, through specific means, the SRI has come to the conclusion that a main goal of the activity of these organizations is also to gather information about their political opponents, including their fellow nationals belonging to Fatah, and about Israeli and other institutions belonging to countries that support the peace negotiations, which may become targets of terrorist-extremist actions.

The danger posed by the activity of these organizations is enhanced by the fact that, before their arrival in Romania, some of their members participated in armed conflicts in various Middle East countries and are regularly undergoing training sessions in camps from the countries that support terrorism.

Part of the dissident Palestinian groupings represented in our country have adjusted their actions and strategies to those of the Islamic-fundamentalist terrorist organizations, in order to involve them in the destruction of the State of Israel and of international Zionism.

### Fatah Has Many Foot Soldiers in Romania

The most dangerous dissident Palestinian organization, both internally and internationally, continues to be the terrorist organization "Fatah-The Revolutionary Council," led by Abu Nidal, who has many foot soldiers in Romania.

Through specific actions taken by the SRI bodies, their communication channels are kept under watch and steps are being taken to determine the leaders of these organizations in Romania to prevent them from carrying out terrorist acts on our territory.

In cooperation with the police bodies, measures were taken to dissuade a prominent member of Abu Nidal's grouping—who came to Romania from Turkey, where he was involved and sentenced for committing terrorist acts—from becoming operational.

### Western Organized Crime Networks Appear in Romania, Too

A major threat to our national security is the overlapping of terrorism and organized crime—a "partnership" within which the two entities, which are increasingly harder to distinguish from one another, lend support to each other.

In view of the latest developments in the unchecked proliferation of nuclear weapons, in the trafficking in military technology and fissionable materials, and in organized crime with political goals and targets, the SRI is paying particular attention to these matters, by attaching primary importance to preventive actions, in order to inhibit certain occurrences capable of affecting our national security.

Although organized crime is not specific to the social-psychological structure of Romanian society, the decrease in living standards, the exacerbation of the feelings of frustration, certain imperfections of the new legislation, the expansion of the phenomenon of corruption, and the influence of certain mafia-type organizations from abroad (Camorra, N'Drageta, Cosa Nostra, the Triads) have led to the creation of similar nuclei—in an incipient stage, for now—in our country, too.

Thus, the accumulated data indicate that some of the members of mafia-type organizations from the Western countries— primarily Italy, Germany, the Netherlands, but also China, the CIS, and Turkey—have set up bridgeheads in Romania and have become involved in the trafficking in armaments, ammunition, drugs, and automobiles. Their actions, which take the form of intimidation, blackmail, extortion, armed attacks, bombings, and assassinations blur the distinction between organized crime and terrorist acts.

Following specific investigations, the SRI has recently identified a network of drug traffickers on the Bogota-Bucharest route. After due notification of the relevant bodies, a foreign citizen, member of this network (who was found in possession of an important quantity of heroin), was arrested along with three Romanian citizens from the same network, who were accused of illegal possession of arms and attempted first degree murder.

Two other networks of drug traffickers were also uncovered; these networks consisted of foreign citizens, members of extremist- terrorist organizations, who, aside from smuggling, tax evasion, and illegal possession of arms, also tried to bribe high civil servants in an attempt to have the felonies committed against their fellow-nationals legally changed to lesser offenses.

### Another SRI Concern Is With the Successor Organizations of the Iron Guardist Movement

Another direction of the SRI activity in the aforementioned period was the identification of totalitarian or extremist actions capable of jeopardizing the rule-of-law state, as stipulated in Law 51/1991, Article 3, Paragraph H.

In this respect, political extremism, both left wing and right wing—which has registered a gradual, but steady crystallization and now poses a threat to our national

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security—has been a concern of our specific activity, with a view to informing the relevant bodies in this respect.

Therefore, in the sphere of right-wing extremism, the SRI has noted an intensification of the efforts to reorganize, through unification, the legally constituted groupings, which their founding members consider to be the "continuers of the Iron Guardist Movement," concurrently with efforts to clandestinely rebuild the former structures of the Iron Guard.

If such activities were more obvious in Bucharest and in Alba, Brasov, Sibiu, Cluj, and Timisoara Counties in 1992-1993, of late they have extended almost throughout the country; we have gathered information about an increase of such actions in Iasi, Suceava, Neamt, Bacau, Vrancea, Constanta, Braila, Dolj, Prahova, Dambovita, Bihor, and Arad Counties.

The Iron Guardist Command in Madrid, the Leading Iron Guardist Council in Freiburg, the Union for Faith and Freedom of the United States, and other groups of the Iron Guardist diaspora in North America are actively involved in this process. These organizations are constantly sending envoys to Romania and are giving moral and material-financial support to the extreme right-wing grouping in our country.

**The Iron Guardist Propaganda Activity Has Practically Become Uncontrollable From information available to us, it is obvious that the Iron Guardist propaganda activity devoted to changing the public image about the "movement" and particularly to indoctrinating and attracting the young generation has become practically uncontrollable, given the current set of legal regulations.**

To this end, various cultural leagues, foundations, and associations were set up as a front, of which the most active ones are: "Bunavestire" ["Good Tidings"] and the Association of Former Presidents and Leaders of Student Organizations From the 1919-48 Period.

A particular propaganda activity, which enjoys financial support from abroad, is carried out by the publications GAZETA DE VEST [WESTERN GAZETTE] from Timisoara and PUNCTE CARDINALE [CARDINAL POINTS] from Sibiu. These magazines are run by Iron Guardists or former Iron Guardists and specialize in the publication of Iron Guardist materials. The papers are distributed by messengers and through the GORDIAN and MARINEASA publishing houses of Timisoara. These two publishing houses have printed, among other things the following books: "The Testament," by Ion Mota; "For the Iron Guardists," by Corneliu Zelea Codreanu; "Post-War Iron Guardist Studies," by Faust Bradescu; and "How I Knew the Legion of Archangel Michael," by Ovidiu Gules.

The information gathered by the SRI emphasizes that all these activities represent a potential antidemocratic and anticonstitutional danger, due to the fact that certain fanatical elements support the need for a totalitarian system of the Iron Guardist kind, which is considered to be the "only solution to take Romania out of the economic and social morass in which it finds itself." Incitement to violence and extremism proliferates through the increasingly more abundant Iron Guardist literature printed at home or introduced, without restrictions, from abroad.

**The Actions of Luring Young People Toward the Iron Guardist Doctrine Have Begun To Show Results**

The danger resides in the receptivity toward such ideas displayed by certain segments of the population, particularly in the stubbornness of the effort to lure the young generation.

We note with concern that the actions to attract and indoctrinate the youth have begun to show results in several localities around the country (Bucharest, Iasi, Cluj, Buzau, Bacau, Slatina, and so forth), where leaflets with Iron Guardist contents or with Nazi and Iron Guardist symbols are being disseminated; nuclei of the "Bunavestire" Foundation have been set up in the university centers of the respective cities.

In Aiud, a group of youngsters—students and high-school pupils, who declared themselves supporters of the Iron Guardist doctrine—attacked several people who did not share their opinions, including a female teacher belonging to another ethnic group. Likewise, they distributed material with fascist symbols and shouted similar slogans at various artistic shows.

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### U.S. Naval Presence 'Dangerous Development'

*LD2611121094 Belgrade TANJUG in English 1150 GMT 26 Nov 94*

["Pool" item by Dejan Lukic]

[FBIS Transcribed Text] Washington, Nov. 26 (TANJUG)—Three U.S. warships with about 2,000 marines and sailors are headed for the Adriatic.

CNN television has quoted Pentagon sources as saying Friday that the vessels and troops had been ordered to proceed to the Adriatic to be available if needed to support United Nations, NATO and United States military personnel in the area. CNN quoted the Pentagon sources as saying the U.S. marines and sailors had no orders to move ashore unless necessary to rescue United Nations peacekeepers and pilots.

It is the first time that the U.S. Administration has allowed the possibility of the presence of its troops in Bosnia-Herzegovina. The White House had so far rejected any such possibility, specifying that U.S. troops could participate only in the monitoring of peace should it be signed by the warring sides in Bosnia-Herzegovina.

Pentagon's latest move, if the CNN report is correct, marks a qualitatively new and extremely dangerous development.

It indicates that the United States expects the war in Bosnia-Herzegovina further to escalate, for which Washington would be primarily responsible because of the active participation of U.S. aircraft in NATO air strikes and the anticipated possibility that U.S. pilots could be downed and taken prisoner.

The move also indicates that the United States administration expects that the United Nations peacekeepers will withdraw from Bosnia-Herzegovina following the U.S. decision to cease participating in the monitoring of the U.N. arms embargo in the case of the Bosnian Muslims.

NATO has prepared plans for the protection of the U.N. peacekeepers during their possible pullout from Bosnia-Herzegovina.

The United States, which is vocally calling for arms deliveries to the Bosnian Muslims and thereby hoping for the withdrawal of the United Nations troops, would shoulder the main military burden of the protection of the peacekeepers' pullout.

### Krajisnik Proposes 'Peace or State of War'

*LD2611171294 Sarajevo Radio Republike Srpske Program for Abroad in Serbo-Croatian 1630 GMT 26 Nov 94*

[FBIS Translated Text] Momcilo Krajisnik, speaker of the National Assembly of the Srpska republic [RS], said in a statement for SRNA last night that the Serbs are proposing immediate peace, or else a state of war will be proclaimed throughout the republic and the enemy militarily defeated. General Michael Rose, UNPROFOR [UN Protection Forces] commander for Former Yugoslavia, and Viktor Andreyev, head of the UNPROFOR civilian sector, arrived in Pale on Thursday on a surprise visit with a message for the RS leadership, that the Muslims want an end to the war. UNPROFOR's efforts to convince the RS leadership that peace has a chance carries considerable weight with the decision of the assembly, which did not proclaim a state of war. The Serb people have given peace yet another chance, said Krajisnik.

### Koljevic Reports on Talks With Silajdzic

*LD2611173994 Sarajevo Radio Republike Srpske Program for Abroad in Serbo-Croatian 1630 GMT 26 Nov 94*

[FBIS Translated Text] Srpska republic Vice President Nikola Koljevic, who had talks at Sarajevo airport yesterday with Muslim Prime Minister Haris Silajdzic about the possibility of a complete end to the war in former Bosnia-Herzegovina, has said that the NATO actions carried out last night over the area of the 2d Krajina Corps theater of operations were only a hypocritical addition to the pro-Muslim biased attitude assumed by the leading diplomatic and military players in the international arena. At Sarajevo airport we offered the Muslims a complete end to the war, which includes a cease-fire and a complete cessation of hostilities, but our offer did not meet with understanding, Koljevic recalled.

According to him, the good will displayed by the Serb side also included the possibility of giving a positive response to the Muslim cease-fire proposal and having additional talks initiated through UNPROFOR [UN Protection Force] mediation, in the expectation that a new meeting at Sarajevo airport would take place [as heard]. We offered to continue talks at the airport to discuss two different proposals by the Serb and the Muslim sides and now we are expecting a reply from the Muslims as to whether they are ready for peace or not, the Srpska republic vice president said.

Mr. Koljevic warned that on the basis of that reply it will be clearly determined whether the Muslim side is genuinely interested in peace or is maneuvering in order to win a time-out [preceding word in English] for the consolidation of its troops and to stop the Serbs at the moment of their military victory.

### Serb Army Reports Croat Involvement in Strike

*LD2611185994 Beigrade TANJUG Domestic Service in Serbo-Croatian 1841 GMT 26 Nov 94*

[FBIS Translated Text] Banja Luka, 26 Nov (TANJUG)—The Command of the Second Krajina Corps of the Serb republic army this evening announced that at 1525 today, NATO planes bombed civilian targets located in the zone under its responsibility.

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The statement says that one aircraft of the Croatian Air Force, in a raid codenamed 1713, took part in the attack.

The Second Krajina Corps of the Serb republic army also claims that once the action was completed one plane landed in Split and four at Pleso Airport near Zagreb.

NATO has not confirmed that its forces carried out the attack and there are no reports from any foreign agencies.

### 'Civilian Targets' Attacked

*LD2611211494 Belgrade TANJUG in English 2054 GMT 26 Nov 94*

["Pool" item]

[FBIS Transcribed Text] Banja Luka, 26 Nov (TANJUG)—The Bosnian Serb News Agency SRNA reported the Second Krajina Corps of the Serb republic army command as saying the civilian targets attacked were in the area of the town of Petrovac, about 50 km southeast of Bihac.

It said twenty NATO fighter planes and support aircraft took part in the raid.

A general and air alert had been sounded in the western regions of the Bosnian Srpska republic. The population was in the shelters.

The command said predominantly Turkish aircraft participated in in the NATO air strikes on the Bosnian Serb positions and civilian targets on Saturday and Friday.

### Serbs Hold 164 Dutch, British UN Soldiers

*AU2711151494 Paris AFP in English 1503 GMT 27 Nov 94*

[FBIS Transcribed Text] Sarajevo, Nov 27 (AFP)—A total of 164 UN Dutch and British soldiers are being held by the Bosnian Serbs after their convoys were stopped in Serb-held territory, a UN Protection Force spokesman said here Sunday [27 Nov].

The soldiers, some of whom were going on leave, were travelling in four different convoys through Serb-held territory to and from the besieged Moslem-held enclaves of Srebrenica and Gorazde, Major Herve Gourmelon said.

Permission for the convoys to cross Serb-held territory had earlier been given by the Serbs, he said.

### Missiles Fired at British Tornado Fighters

*LD2611175894 London PRESS ASSOCIATION in English 1734 GMT 26 Nov 94*

[FBIS Transcribed Text] A ground-to-air missile was fired at two British Tornado fighters today, according to a report.

The missile was fired from a Bosnian Serb ground position but missed, ITN said. Reporter Michael Nicholson, speaking from a Nato base in southern Italy, said there was also an unconfirmed report that the Tornado pilots detected a Bosnian Serb aircraft in violation of the United Nations no-fly zone. He added that the incidents had led Nato to plan a major airstrike but it was cancelled after a veto by the UN.

The Ministry of Defence in London said it was checking the report.

BBC TV reported that four Tornados had been involved, but that all had returned safely to their base in Bari, southern Italy.

Reporter Malcolm Brabant said the missile had flown for about 30 seconds then burst in the air.

The UN had stopped the airstrike because it wanted to give diplomacy a chance, he added.

### Serbs Fire on UN Canadians, Sarajevo Suburbs

*LD2711191494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 27 Nov 94*

[FBIS Translated Text] Early this morning Serb aggressors used artillery to carry out a fierce attack on Visoko and nearby hamlets. The chetniks fired 10 shells on the town center using 122mm howitzers, and they also used multiple rocket launchers each having 12 destructive shells to fire at the suburbs and the industrial area. The target of this artillery attack by the aggressor, apart from civilian facilities, was the UN Canadian battalion itself which is based in Visoko.

In this peacekeeping forces' battalion there is a top level of military readiness, especially as (?50) Canadian soldiers are still being held by the aggressor in Ilijas. The UN Protection Force this morning verified that the aggressors' artillery fired on Visoko and the surrounding area, (?and violated) the 20-km exclusion zone around Sarajevo. After the artillery attack, intensive fire from M- 84 machineguns on the center of Visoko was registered.

### Karadzic Vows To Eliminate 5th Corps

*AU2611210594 Paris AFP in English 2034 GMT 26 Nov 94*

[FBIS Transcribed Text] Sarajevo, Nov 26 (AFP)—Secessionist Serbs advancing through Bihac will pursue their offensive until the Bosnian Fifth Corps defending the embattled enclave has been eliminated, Bosnian Serb leader Radovan Karadzic said here Saturday [26 November].

At a press conference in his stronghold of Pale near here, broadcast by radio Pale, Karadzic said: "I want to say that we won't stop this time, that we will neutralise the Fifth Corps for good."

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Karadzic said his side would not accept any talks of a temporary ceasefire that would enable the Bosnian defenders of the northwestern enclave to "recover."

Karadzic also said that Bosnian Serbs would all but sever their contacts with the United Nations.

But since UN representatives were in an "impossible situation," exposed to U.S. pressure to act "in a hostile manner" against the Serbs and prevented by the Bosnian Government side from doing their job, Pale would not break off relations completely, said Karadzic.

"We are leaving the door slightly opened for contacts with General Michael Rose (UN commander in Bosnia) and Yaşushi Akashi (special representative of the UN secretary general in ex-Yugoslavia)," he said.

Asked about the U.S. decision to send 2,000 Marines to the Adriatic, Karadzic said such a decision was to be expected since "the Americans have already been involved in the war in Bosnia."

The men are on board three U.S. warships Washington has ordered to the Adriatic as a contingency force.

Karadzic added: "Now we can expect the Americans to send 10,000 Marines more to save the 2,000, and then another 100,000 to save the 10,000, and so on till they get another Vietnam."

Earlier Saturday, Bosnian Serbs issued Bihac town's Moslem defenders an 8:00 p.m. (1900 GMT) surrender deadline as their forces seized a third of the UN-declared "safe area", amid bitter hand-to- hand combat in the town centre.

The Bosnian Government rejected the ultimatum while Premier Haris Silajdzic bitterly accused top UN officials of spiking the NATO gun that could save Bihac from the Serbs.

Up to 70,000 people are trapped in the town at the mercy of the Serb offensive.

### Proposes 'Agreement'

*LD2611212194 Belgrade TANJUG Domestic Service in Serbo-Croatian 2055 GMT 26 Nov 94*

[FBIS Translated Text] Belgrade, 26 Nov—The Srpska republic has proposed to the Muslim side the conclusion of an immediate preliminary agreement on ending the war, the office of Radovan Karadzic, president of the Srpska republic, announced in a statement issued today, SRNA reports.

"The agreement would be verified by the international community and it would not prejudice any territorial divisions and political solutions," the statement says, setting out that the Muslim side proposed only a cease-fire at the negotiations yesterday.

"This (Muslim) proposal does not offer sufficient guarantees for ending the war, to which numerous broken cease-fire agreements bear witness. We would particularly wish to stress that our proposal to end the war includes a cease-fire and represents a well-based modus for the restoration of peace," the statement explains.

SRNA reports that at today's news conference in Pale, correspondents received copies of a letter sent by the Srpska republic leadership to general Michael Rose, UNPROFOR [UN Protection Forces] commander for Bosnia-Herzegovina, in response to negotiations held at Sarajevo Airport yesterday.

The letter says that the Muslim proposal on a three-month general cease-fire is acceptable, only "within the framework of an immediate preliminary agreement on the cessation of war."

The letter demands an answer from the Muslim side and asks UNPROFOR to inform the Security Council about its content.

### Bosnian Army Attacks, Liberates Villages

*LD2611220194 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 26 Nov 94*

[FBIS Translated Excerpt] After several days of fighting against the aggressor units, the Bosnia-Herzegovina Army's Second Corps has liberated the villages of Velika Jelica, Sjenokos, and Misaca. According to their own reports, chetnik losses are 60 killed and 300 wounded. The Bosnia-Herzegovina Army is treating captured chetniks in accordance with Geneva and other international conventions regarding prisoners of war, and it is also observing all provisions of the international humanitarian law, the information service of the Second Corps says. [passage omitted]

### Army Makes Gains in Counterattack on Doboj

*LD2611153594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 26 Nov 94*

[FBIS Translated Text] Members of the Bosnia-Herzegovina Army today reached the very entrance to the town of Doboj. In a powerful counteroffensive in response to [words indistinct] Serb attacks against almost all their defense lines, the members of the 205th Famous Motorized Brigade pushed back the enemy by almost 800 meters. This has given them realistic chances of taking other important positions around the town.

Today's success by the (?Doboj) fighters is all the more significant because it was precisely from these positions that the aggressors shelled the free territory of Doboj and (?the Tesanj area). Dozens of aggressor soldiers were killed in the fighting, dozens were wounded, and a considerable amount of weapons and equipment were captured.

[Name indistinct] was reporting from the information center of the 7th South Operational Group.

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### TANJUG: Muslim Ozren-Vozuca Attack Repelled

*LD2711182194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1744 GMT 27 Nov 94*

[FBIS Translated Excerpt] Doboj, Bileca, 27 Nov (TANJUG)—The command of the 1st Krajina Corps of the army of the Srpska republic announced this evening that today's fierce Muslim offensive on the Ozren-Vozuca part of the front has been thwarted.

The Muslims, supported by powerful artillery fire, carried out a strong infantry attack from the direction of Zavidovici with the intention of breaking through the important Serb defense lines in the northeastern sector of the Vozuca front.

After two hours of fierce fighting the Muslim attack was repelled, and the enemy was pushed back to its initial position, the statement stresses, and adds that a strong Muslim sabotage-terrorist group on the southern part of the Vozuca front was destroyed. [passage omitted]

Up until this evening there was no news at all from the Bihac- Krupa front.

### Serb Army Reports Thwarting 27-28 Nov Attacks

*LD2811150994 Belgrade TANJUG in English 1457 GMT 28 Nov 94*

["Pool" item]

[FBIS Transcribed Text] Belgrade, Nov. 28 (TANJUG)—Bosnian Serb army sources said all Muslim attempts on Monday morning to recapture the positions lost in the Neretva River's upper course on Sunday had been thwarted.

The Bosnian Serb news agency SRNA quoted Serb sources as saying Serb forces had taken in a counter-attack on Sunday the strategic points around the village of Glavaticevo, about 30 km northeast of Mostar, used by Muslims to launch a mortar-infantry attack.

Muslim fire was reported in other parts of the front in southern Bosnia-Herzegovina and particularly from the United Nations- protected 'safe area' of the town of Gorazde in eastern Bosnia.

Bosnian Serb army sources said Muslims had launched a strong infantry attack, backed by heavy artillery fire, on Serb defenses near the small town of Vozuca in northern Bosnia, about 45 km southeast of the town of Doboj.

The sources said the Muslim attack was repelled after two hours of fierce fighting and the enemy troops driven back to their starting positions. The sources said a larger Muslim terrorist-commando group had been routed south of Vozuca.

Bosnian Serb army sources said it was quiet on the Sarajevo front on Monday morning, as opposed to the preceding days.

### UNPROFOR Calls for Bihac 'Demilitarization'

*AU2711173994 Paris AFP in English 1725 GMT 27 Nov 94*

[FBIS Transcribed Text] Sarajevo, Nov 27 (AFP)—The UN Protection Force (UNPROFOR) Sunday [27 November] called for the demilitarization of the UN-designated Bihac town safe area, calling on both warring parties to withdraw their forces.

The proposal was made by the UN Bosnia Force commander, General Sir Michael Rose, to Bosnian President Alija Izetbegovic and Bosnian Serb leader Radovan Karadzic, and to the respective military commanders, UNPROFOR spokesman Lt.-Col. Jan-Dirk von Merveldt said here.

It also called for the 80 square kilometer (30 square mile) safe area to be put under UN Protection Force control.

### Bosnian Government Accepts

*LD2711184894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 27 Nov 94*

[FBIS Translated Text] We have just received a statement from a session of the presidency. The statement says:

At today's session, which was presided over by President Alija Izetbegovic, the presidency of the Republic of Bosnia-Herzegovina considered the statement by the president of the UN Security Council of 26 November about a cease-fire in the Bihac region and today's proposal by the UN Protection Force [UNPROFOR] commander for Bosnia-Herzegovina regarding the demilitarization of the Bihac safe zone. In this connection the presidency has concluded:

1. The request of the Security Council president for a cease- fire in the Bihac region, and the Bosnia-Herzegovina UNPROFOR commander's plan for the demilitarization of the Bihac safe zone, are accepted. Peaceful conditions on the borders of the demilitarized zone will be established by [word indistinct] representatives on the spot. In this agreement our side will be represented by General Atif Dudakovic.

2. The maintenance of public order in the demilitarized area will be entrusted to UNPROFOR and local police forces.

3. If the Serb aggressor fails to accept the UNPROFOR proposal on demilitarization during 28 November 1994, UNPROFOR would be obliged to use other measures to implement the plan to protect the Bihac safe zone, including measures of close air support and air strikes. The presidency requests that the UNPROFOR commander for Bosnia-Herzegovina continue his efforts to implement a cease-fire in the Bihac region in keeping with the statement by the president of the Security Council of 26 November this year and other Security Council resolutions.

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### UN Awaits Serb Answer

*AU2811122594 Paris AFP in English 1148 GMT 28 Nov 94*

[FBIS Transcribed Excerpt] Sarajevo, Nov 28 (AFP)—Serbs forces are able to enter the town of Bihac "at any time they wish," a UN Protection Force (UNPROFOR) spokesman said here Monday.

The Serbs "have been in that position most of the weekend and haven't done so," Lt.-Col. Jan-Dirk von Merveldt said.

Meanwhile, UNPROFOR was still awaiting Monday morning an answer from the Bosnian Serb leadership to its plan for demilitarizing the UN-declared Bihac town safe area, as fighting continued in the northwestern Bosnian pocket.

"The positions of the defenders (inside the town) is becoming increasingly difficult," von Merveldt said.

Serb encirclement of the town now took the form of a horseshoe with an opening to the north.

Bosnian Serb radio in Pale near Sarajevo said its forces were only 700 meters (yards) away from the first houses in town and that 650 Bosnian government soldiers had surrendered to them in the enclave since Saturday evening. [passage omitted]

### Serbian Attacks on Bihac Lines Resume 28 Nov

*AU2811093994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0900 GMT 28 Nov 94*

[Report by Muhamed Mujic from Bihac]

[FBIS Translated Text] Early this morning, the joint aggressor embarked on a powerful artillery-tank attack on the defense lines and the outskirts of Bihac from the direction of Licko Petrovo Selo and the former Zeljava airport. Simultaneously, the enemy attempted an infantry breakthrough in this part of the front, which the fighters of the 5th Corps of the Bosnia-Herzegovina Army successfully resisted.

In other parts, too, the day dawned with fierce artillery attacks, especially on Zegar, [word indistinct], and Vedro Polje, where numerous houses are burning.

Bihac hospital is in dire straits as the last supplies of medication and food have been exhausted, while the number of injured is growing by the hour as the fighting is raging 500 meters away from the hospital buildings. Since yesterday, several UN armored personnel carriers have been situated in the vicinity of the hospital. They are supposed to prevent shelling and sniper attacks on Bihac hospital buildings.

The refugee wave continues to stagger along [words indistinct] and other Bosnian Krajina municipalities. It is estimated that approximately 70,000 residents have left their homes in search of shelter. For numerous refugees there is no accommodation because there is no space available. International humanitarian and other organizations are doing nothing to alleviate the suffering of these people and secure the supply of food.

### Bihac Hospital Loses Water, Electricity

*AU2811134494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 28 Nov 94*

[Muhamed Mujic report from Bihac]

[FBIS Translated Excerpt] Fierce fighting is raging around Vedro Polje, Zegar, Sokolac, and on Grabez Plateau. The enemy is today mostly attacking from the UN Protected Areas in the occupied parts of Croatia. At dawn today, the aggressor attacked the outskirts of Bihac and its defense lines with tanks from the former Zeljava airport and Licko Petrovo Selo in the so-called Serbian Krajina and then launched an infantry breakthrough, which the fighters of the 5th Corps of Bosnia-Herzegovina Army successfully resisted.

In the worst position currently is the regional (?medical center), which houses 2,200 injured and sick people while battles with aggressor's units are taking place only 500 meters away. The hospital is without medication, sanitary material, and food and water and electricity have disappeared, too. As I report this, Bihac is reverberating with explosions of most destructive howitzer and tank projectiles. [passage omitted]

### UN: Karadzic, Martic Want To Surround Bihac

*AU2811114594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 28 Nov 94*

[FBIS Translated Text] Ignoring the UN call for an immediate cease-fire, Karadzic's Serbs have intensified their attacks on Bihac. It is evident that they would like to link up with the Serbs from the occupied parts of Croatia, UN sources in Sarajevo claim.

UN military spokesman Herve Gourmelon stated that Karadzic's and Martic's Serbs are trying to close up the corridor to the north. Once they meet, the safe haven will be totally surrounded, Gourmelon added.

### Serbs Report Surrender of Bihac Muslim Troops

*LD2811154494 Belgrade TANJUG Domestic Service in Serbo-Croatian 1451 GMT 28 Nov 94*

[FBIS Translated Text] Petrovac, Bileca, 28 Nov (TANJUG)—Units of the army of the Srpska republic are tightening the noose around Bihac from the south and east while forces of the people's defense of the Autonomous Province of Western Bosnia are doing the same from the northeast. Serbian forces in the Herzegovina theater of war have managed to take control of some strategic positions—TANJUG correspondents quote sources within the army of the Srpska republic.

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The 2d Krajina Corps command has said that the soldiers of the 5th Corps of the Muslim army have suffered "yet another defeat, thus paying dearly for their fiercest attack on Serb positions."

Gripped by panic, the fleeing Muslim forces are seeking refuge in Bihac where there are only about 2,000 loyal supporters of the 5th Corps Commander Atif Dudakovic. They are said "to be prepared to resist until the end."

The 2d Krajina Corps command says that Muslim units attempted to fake a Serb artillery attack on the Bihac health center and its 1,500 wounded patients. Members of the 5th Corps set fire to haystacks and old tires to show the world public Serb artillery attacks on the wounded, the statement says. The command bodies of individual units of the 2nd Krajina Corps have issued an order that not a single Croat or Muslim house liberated by them should be damaged or burned down. All the refugees have been called on to return to their homes and live in peace and freedom.

After the expiration of the ultimatum issued to soldiers of Izetbegovic's army in the Bihac enclave and to their commander Dudakovic by General Manojlo Milovanovic, commander of the Srpska republic army forces at the Bihac-Krupa front, some 650 Muslim soldiers surrendered to the units of the Srpska republic army or joined the ranks of people's defense units of the Autonomous Province of Western Bosnia, Serb military sources say.

According to the command of Serb forces in Bileca, after fierce fighting, units of the Herzegovina Corps have captured commanding elevations in the Glavaticevo area between Konjic and Kalinovik. Units of the Muslim army's 4th Corps retreated towards Bjelinici in chaos.

Despite considerable losses in their ranks, Muslim units renewed their attacks against Serb positions this morning. The command of Serb units has warned the Muslim army that the response to any attack will be fierce and offensive.

## Silajdzic, Senator Dole Discuss Bihac

*LD2711195894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 27 Nov 94*

[FBIS Translated Text] Haris Silajdzic, prime minister of the Republic and Federation of Bosnia-Herzegovina, had a telephone conversation today with U.S. Senator Robert Dole, who informed the prime minister about his visit tomorrow to Great Britain, where he will meet John Major. Senator Dole will also visit NATO headquarters in Brussels.

The Bosnia-Herzegovina prime minister provided Mr. Dole with detailed information about the brutal aggression against the Bihac safe zone. The United Nations and UNPROFOR did not do anything to protect this zone which was attacked from the territory of another state. [Words indistinct] the international community, Prime Minister Silajdzic said on this occasion.

In connection with the announced arrival of the Contact Group in Sarajevo, Dr. Silajdzic stressed that [word indistinct] only if [word indistinct] accepted the plan. The Contact Group [words indistinct] Serbia itself that the talks can be resumed only after unconditional acceptance of the proposed territorial solution.

## Bangladeshi Officer Says Food Adequate in Bihac

*BK2711093994 Dhaka Radio Bangladesh Network in English 0130 GMT 27 Nov 94*

[FBIS Transcribed Text] Members of the Bangladeshi contingent of Bihac have adequate food, clothing and other supplies. This was informed to the principal staff officer of the prime minister's office, armed force division, Major General M.S.A. Bhuiyan, while he was talking over telephone to the Bangladeshi contingent commander, Colonel Salim Akhtar, yesterday afternoon.

In reply to Gen. Bhuiyan's queries Col. Salim Akhtar said a UN convoy carrying supply of ration reached them and another convoy would be made available tomorrow. Mr. Bhuiyan conveyed the prime minister's concern saying that she inquired about their welfare. Col. Salim expressed his gratitude to Prime Minister Begum Khaleda Ziaur Rahman and said they were fine. He further said there was nothing to worry about them.

Refuting recent press reports that there had been shortage of food and other supplies, Col. Salim Akhtar said none from the press had been to Bihac pocket. The press reports regarding shortage of food and other supplies were not based on facts. He further said each and every soldier has adequate food, winter clothes, and necessary power supply for room heating, and their morale is high.

## UN Describes Bihac Situation as 'Untenable'

*AU2711141294 Paris AFP in English 1230 GMT 27 Nov 94*

[By Francis Curta]

[FBIS Transcribed Text] Sarajevo, Nov 27 (AFP)—The situation of Bihac town has become "untenable", the UN said here Sunday [27 Nov] as the Bosnian Government appeared bent on rejecting a permanent ceasefire which could save the city.

Fighting continued overnight and Sunday morning in the suburbs of the town, more than 12 hours after the expiry of a Bosnian Serb ultimatum for government troops to surrender, UN Protection Force [UNPROFOR] spokesmen said here. The position of soldiers of the Moslem-led 5th Corps has become "untenable", according UNPROFOR spokesman Lt.-Col. Jan-Dirk von Merveldt.

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Some 500 government soldiers remained in the centre of town, while another 1,000 or so fought on inside the UN-declared Bihac safe area Sunday, Major Herve Gourmelon said for his part.

Serb General Manojlo Milovanovic had called on government forces in the UN-declared safe area to surrender before 8 p.m. (1900 GMT) Saturday. "If you do not listen to me I cannot guarantee your lives, all the more so as many of you have committed atrocities against the Serb people," he said.

But the deadline went by without any notable change, UN spokesmen said.

Bosnian Serb radio reported that 240 government soldiers had surrendered by 8 p.m., but it did not say since when. Sarajevo radio meanwhile said Sunday that fierce fighting continued along confrontation lines around the town whose population has swollen to more than 57,000 with the arrival of refugees from outlying villages.

Von Merveldt said Bosnian and Croatian Serb forces had captured all the villages to the south of Bihac town and torched them to ensure their inhabitants did not return.

Sarajevo radio said fighting was going on some 500 meters (yards) away from the hospital, itself located about 1.5 kilometers west of the town centre, as well as along access roads leading to the centre.

Saturday evening, the UN said the frontline was about one kilometer (half a mile) from the hospital where some 2,000 war wounded are crammed into wards meant for 900.

A platoon of Bangladeshi UN soldiers has been deployed around the hospital building in a bid to deter an attack on the premises.

Meanwhile, the International Committee of the Red Cross has reminded the warring parties that under the Geneva Convention they are required to respect the civilian population and prisoners of war.

And in New York, the UN Security Council has again called for a ceasefire. But the Bosnian Government appears to have turned down a Serb offer of a general end to hostilities, ratified by the international community. The government here has said it would agree to a three-month general ceasefire. But it refuses to renounce to what it sees as its legitimate right to fight to reconquer territory taken by the Serbs who control some 70 percent of Bosnia-Herzegovina.

Under an international peace plan accepted by the government, but rejected by the secessionist Serbs, the country would be partitioned with Serbs getting 49 percent of the territory and Moslems and Croats the remaining 51 percent.

Colum Murphy, the UN deputy civil affairs coordinator, said Saturday that there remained "considerable distance" between the warring parties with the Bosnian Government wanting to retain "the right to liberate territory" at a later stage and the Serbs linking a ceasefire in Bihac to a more comprehensive settlement of the 31-month-old war. And his boss, Viktor Andreyev, later in the day said there was still "no deal."

No meetings appeared to have been scheduled Sunday between the warring factions.

### Fierce Attacks on Bihac Leave Many Dead, Wounded

*LD2711185594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 27 Nov 94*

[FBIS Translated Excerpt] Coming up, more details about the situation in Bihac in Mirza Sadikovic's report.

[Begin Sadikovic recording] The latest and hitherto fiercest attacks in this offensive, carried out by the chetniks of Karadzic and Martic—artillery, tank, and infantry assaults—have been going on relentlessly since midday. Hundreds, [word indistinct] howitzer, mortar shells, and rockets from multiple rocket launchers are raining on the town and its outlying districts. Chetnik infantry is trying to break through by launching savage attacks [words indistinct]. Throughout the day they have attempted to make at least about 20 tank and infantry forays.

They are continuing to set fire to houses, facilities [word indistinct] by using incendiary ammunition. They have again targeted the hospital, which today has received hundreds of wounded. In the course of today they have also been shelling the municipalities of Cazin, Velika Kladusa, and Bosanska Krupa, where there is also a large number of wounded and dead. The combatants of the 5th Corps and the Internal Affairs Ministry have been resisting all the attacks and preventing the chetniks from entering Bihac [word indistinct] the Bihac district. [passage omitted]

Bihac is bracing for yet another night of horror and dread, believing nevertheless that the chetniks will never enter it. [end recording]

### Rose Comments on Bihac, UN Troops

*LD2711210394 Paris TF-1 Television Network in French 1900 GMT 27 Nov 94*

[FBIS Translated Text] [Announcer Claire Chazal] General Michael Rose, commander of the UN Protection Force [UNPROFOR], is with us, live from Sarajevo. Thank you, general, for being with us this evening. Can we consider that the Bihac enclave can still be saved?

[Rose] Obviously, the situation is quite serious, but I do not think that it is desperate yet. I have just sent a plan for the demilitarization of the Bihac security zone and for an immediate cease-fire. I have received a positive answer from the Bosnian Government, and I am still awaiting the Serb answer. The Serb military threat is obviously extremely difficult for us to accept, and I think that, at the end of the day, it is necessary for everybody to return to the negotiating table.

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[Chazal] Do you think this evening that some of your UN troops are hostages of the Serbs?

[Rose] No, they are not exactly hostages. They are stranded there. We can no longer move about freely. We had a few incidents of that kind in April—when we experienced the situation in Gorazde—and I...[pauses] We are giving the same response: to remain calm and to negotiate.

[Chazal] General, it seems however that the UN and NATO has been very—quite helpless—since the beginning of this conflict. The Bosnian prime minister blamed you yesterday for not ordering NATO air strikes. What did you tell him?

[Rose] Yes, obviously a lot of people blamed me for not carrying out more air strikes against the Serbs. I do not wage war for the sake of it and I am not a peacemaker. There is a real danger of things escalating and getting irretrievably out of hand. Violence fuels violence. Our mission is to maintain peace, and there is an entire population supported by our efforts, and we must not forget the very tense and fragile situation in Bosnia-Herzegovina.

[Chazal] And yet, General Rose, when one sees those civilians fleeing from the Bihac zone by their thousands—is that not proof of the failure of the UN and NATO?

[Rose] Of course, this is a failure for peace. As I have just said, we are here to maintain the conditions for the resolution of this war through peaceful means. We ourselves cannot wage war.

[Chazal] In any case, General, you don't consider a withdrawal of UN troops as desirable today, do you?

[Rose] Could you please repeat the question?

[Chazal] Do you think that one can envisage, would you personally like the UN troops to withdraw? They would then no longer be able to intervene on the ground.

[Rose] I do not at all envisage an UNPROFOR withdrawal. Our mission has not yet been called into question. We are not going to throw in the towel. Our troops on the ground are doing extraordinary work every day, and I would like to take this opportunity to highlight the superb work done by the French troops. I would like to pay tribute to the sacrifices they are making so that others can live.

[Chazal] Thank you, General Rose, for being with us live from Sarajevo and for making the effort to speak to us in French. Thank you.

### Serbs Shelling Bihac Water Supply Station

*LD2711223094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2200 GMT 27 Nov 94*

[FBIS Translated Text] Beside the brutal chetnik destruction of Bihac, they are also shelling the [words indistinct] water supply station in Klokot. As a result, supplying drinking water to the population (?is becoming increasingly difficult). As the situation develops, there is a real danger that the flow of drinking water into Bihac might dry up altogether.

### Akashi Involved in Bihac 'Secret Agreement'

*LD2711225594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 27 Nov 94*

[FBIS Translated Excerpt] Our correspondent from Zagreb has learned about a scandalous report indicating that there is an international conspiracy against Bihac and Bosnia-Herzegovina. According to the report, a secret agreement was recently reached in Belgrade between Akashi [words indistinct] the aggressor's targets. The source of this report is very reliable, Nada Al-Isa reports.

[Al-Isa] The population of the Cazin region have long suspected that an international conspiracy surrounds them and Bihac in particular, or as they put it, there is an agreement. They spontaneously sensed this amid their misfortune. Regrettably, they have not made a mistake, as we have learned from a very, very reliable diplomatic source:

Yasushi Akashi apologized to Slobodan Milosevic for the recent NATO operation against Udbina air base. Milosevic allegedly sternly rebuked Akashi for the bombardment. Akashi replied by saying that NATO had acted independently and that he, Akashi, would never demand such action in the course of his mandate anyway. If it is true that Knin, Belgrade, and Pale are blackmailing Akashi, one may ask how?

Our source adds: Following his visit to Belgrade, Akashi asked his boss, Butrus-Ghali, to make sure the international community did not take any action in Bihac as the situation was allegedly stabilizing. He also said, there is no need for any action for as long as the peace negotiations are going on. In so doing Akashi personally and directly prevented any possible action by the international community. Instead of being the subject of negotiations Bihac was, and still is, shelled.

This is why the population of Bihac are right to accuse Akashi of being personally responsible for all the casualties in Bihac, including both the current as well as future casualties. Our source is even claiming: As early as yesterday Akashi was expecting, or perhaps awaiting, the fall of Bihac. He expected the 5th Corps to accept the aggressor's unacceptable ultimatum. Bihac has not fallen. Nor will it. [passage omitted; it is only the 5th Corps that can defend Bihac]

Shortly before filing this report we received phone calls from some west Bosnians living in Zurich, Switzerland. They say that tomorrow morning they will start blockading, as early as 0600, the French and British consulates in Zurich in response to the puzzling policy toward Bosnia-Herzegovina pursued by those countries.

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### U.S. Pressure Reportedly Prevents Attack on RSK

*LD2611175494 Belgrade TANJUG in English 1741 GMT 26 Nov 94*

["Pool" item by Nikola Stanojevic]

[FBIS Transcribed Text] Zagreb, Nov 26—Croatian leaders say they back peaceful settlement to the Croatia-Krajina conflict, but seek to ensure understanding through diplomatic channels for aggression on Serb Krajina.

A reliable source that cannot be revealed at present was quoted as saying Croatia had been ready to attack Serb Krajina but, yielding to U.S. pressure, had decided not do to so for the time being.

The source said the United States had been informed about Croatia's intention late last week, after which it had instructed Croatia to be patient for a while.

If peaceful "reintegration" failed, however, and Croatia decided to send troops against Serb Krajina, the United States "would veto in the United Nations Security Council a proposal to impose sanctions on Croatia," the source said.

Serbs in Croatia set up their own state, the republic of Serb Krajina, in 1991, after Croatia launched a war of secession from the former Yugoslavia and removed Serb national rights from the Croatian Constitution.

The territory of Serb Krajina was placed under U.N. protection in the spring of 1992, but has since been the target of four new Croatian offensives. More than 14,000 U.N. peacekeepers are deployed in Serb Krajina. The Croatian and Krajina governments signed truce in late March.

An alleged "large-scale engagement" of Serb Krajina in the fighting near the northwestern Bosnian town of Bihac, close to the border with Krajina, should serve as a pretext to Croatia to again attack Serb Krajina.

U.N. Protection Force Commander for the former Yugoslavia Gen. Bertrand de Lapresle of France, however, denied this report last week.

Bosnian Muslim leaders used the same pretext and persisted in saying on Croatian television late Friday that Serb Krajina troops were launching attacks on Bihac.

Those in Croatia who urge war say Croatia has assumed obligations under the Washington agreement, as well as the agreement on friendly (?military) cooperation, which included Croatia's military help to Bosnian Muslims. They also say if Bihac fell into Serbs' hands Croatia's strategic interests would be jeopardized.

Croatian authorities hold a similar view and have repeatedly threatened Croatia would be forced to directly interfere in the civil war in Bosnia if Bihac fell into Serb hands.

Those most zealously advocating war are officials of the Croatian opposition Social Liberal Party and the Croatian Party of Rights, who believe that Croatia has missed the ideal opportunioy to attack Serb Krajina.

As for the peaceful settlement of the conflict, it has so far been backed by officials of the opposition Serb Popular Party and the Istrian Democratic Assembly.

The NOVI LIST newspaper, published in the Croatian port city of Rijeka, on Saturday quoted President of the Istrian Democratic Assembly Ivan Jakovcic as saying his party believed Croatia would have no allies if it decided to wage war.

Unofficial reports on the deployment of over 10,000 Croatian troops close to the confrontation line in the UNPA sector south and sector west indicated that Croatia might launch an aggression on Serb Krajina.

Gen. Ivan Tolj, head of Croatia's Army Political Section, said on Croatian Television Croatian troops would be happy to mount attacks on Serb Krajina.

### Owen, Stoltenberg, Tudjman Hold Talks

*LD2511185294 Zagreb HTV Television in Serbo-Croatian 1830 GMT 25 Nov 94*

[FBIS Translated Text] Lord David Owen and Thorvald Stoltenberg, the cochairmen of the conference on former Yugoslavia, returned from Belgrade to Zagreb this evening. They are now holding further talks with President Tudjman. Details of their second meeting have not yet been made public.

### Talks End

*LD2511221194 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 25 Nov 94*

[FBIS Translated Text] President Franjo Tudjman received cochairman of the Geneva peace conference, Lord Owen and Thorvald Stoltenberg, for a second time today. They were accompanied by ambassador to the Geneva conference, Kai Eide, and General Peters.

The talks focused on the economic agreement which is aimed at reaching a peaceful solution to the crisis in Croatia.

The talks were attended on the Croatian side by Hrvoje Sarinic, head of the Croatian president's office; Mate Granic, Croatian deputy prime minister and minister of foreign affairs; the president's special envoy, Miomir Zuzul; the president's internal policy adviser, Ivic Pasalic; and head of the War Cabinet, Colonel General Zvonimir Cervenko, a statement issued by the president's office notes.

### Granic: No Further Talks Without Recognition

*LD2511182094 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 25 Nov 94*

[FBIS Translated Excerpt] Let us hear a report from the Croatian Assembly's Chamber of Deputies. Following

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question time, the session was adjourned; it will be resumed at 1500 on Monday 28 November. Zoltan Kabok has a report on the session today:

[Kabok] The session, as is customary, started with question time. [passage omitted]

It was also stressed at today's session that the platform for negotiations with the Serbian rebels is completely clear and that there will be no concessions. In this regard, Mate Granic, Croatian deputy prime minister and minister of foreign affairs, said the following:

[Begin Granic recording] In our talks with Belgrade, I believe our platform was crystal clear: It was stressed before the talks and after the talks that, without the recognition of the Republic of Croatia within its internationally recognized borders, there can be no further negotiations with Belgrade on any sort of normalization. Second, there can be no negotiations on borders. [end recording]

[Kabok] Due to the lack of a quorum, the Chamber of Deputies was unable to adopt a 32-point agenda today. [passage omitted]

### Armed Forces 'On Full Alert' Over Bihac Crisis

*AU2711160894 Paris AFP in English 1548 GMT 27 Nov 94*

[FBIS Transcribed Text] Zagreb, Nov 27 (AFP)—Croatian authorities have placed their armed forces on full alert in response to the secessionist Serb onslaught against the Bosnian enclave of Bihac, the country's deputy parliamentary speaker said Sunday [27 November].

Vladimir Seks was quoted by the SLOBODNA DALMACIJA pro-goverment daily as saying the Croatian Army was "on full alert," adding that the only reason Croatia had not yet "intervened" in the battle for Bihac was "a promise from the North Atlantic Treaty Organisation to protect Croatian interests."

Croatian Serbs have joined Bosnian Serb forces in a two-pronged assault against Bosnian Government troops defending the Bihac pocket, which borders Serb-held Croatia.

"Our decision on military engagement will depend on the efficiency of NATO," Seks, known as a hardline member of the ruling Croatian Democratic Party (HDZ), told the newspaper.

The fall of Bihac would free rail and road links between Knin, the main town in the Serb-held Krajina region of Croatia, and Belgrade.

### Official Meets U.S. Congress Delegation

*LD2711225994 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 27 Nov 94*

[FBIS Translated Text] Smiljan Simac, Croatian assistant minister of foreign affairs, today received a delegation of the U.S. Congress House of Representatives led by Ike Skelton, chairman of the Armed Services Committees' military forces and personnel subcommittee.

They had talks on the role played by the international community and its most important players with a view to ending the war and resolving the Bosnia-Herzegovina crisis. The guests were interested in the Croatian view of the possible development of events in Croatia and Bosnia-Herzegovina, particularly the Bihac crisis, and the intentions of the Croatian Government regarding the extension of UNPROFOR's mandate.

U.S. Ambassador to Croatia Peter Galbraith accompanied the U.S. delegation, the statement by the Croatian Foreign Ministry says.

### Russian Embassy Statement on Demonstrations

*LD2711124694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1151 GMT 27 Nov 94*

[FBIS Translated Text] Zagreb, 27 Nov (TANJUG)—The Russian Embassy in Croatia has expressed profound bitterness about yesterday's demonstrations organized outside its embassy in Zagreb.

In a special statement for the public, issued in Zagreb today, the Russian Embassy stresses that "the atmosphere of the meeting and its slogans, as well as the insults called aloud by speakers" were contrary to the efforts of Russian diplomacy and the Russian Embassy in Croatia, which are aimed at reaching a peaceful solution to the crisis in the former Yugoslavia.

The Russian Embassy statement also says that it is always open to all those who truly want to contribute to the peace process, but only through normal dialogue and "without hysteria and street emotions."

The demonstration outside the Russian Embassy, as well as those outside the FRY [Federal Republic of Yugoslavia] bureau and outside the British Embassy in Zagreb, were organized by the Libertas Association, led by the former Croatian foreign minister, Zvonimir Separovic.

### Owen, Stoltenberg Meet With RSK's Mikelic

*LD2611191694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1803 GMT 26 Nov 94*

[FBIS Translated Text] Knin, 26 Nov (TANJUG)—David Owen and Thorvald Stoltenberg, cochairmen of the international conference on former Yugoslavia, had talks in Belgrade today with Borislav Mikelic, prime minister of the republic of Serb Krajina [RSK]. The talks were devoted to the amendments and addenda to the draft agreement on ways of establishing Krajina-Croatia economic relations.

Mikelic told TANJUG's correspondent in Knin that the talks were held after the Serb side raised a number of fundamental objections to the draft agreement and after the talks between the cochairmen and the Croatian side.

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According to Mikelic, the cochairmen acknowledged the fundamental objections to the draft agreement and several "technical objections," and told him that "at this stage it is not possible to achieve more, taking into account both sides and the international community which they are representing."

The RSK Assembly, which is to meet at the beginning of next week, is to vote on the amendments and addenda to the draft agreement, Mikelic said.

### Martic: Sending Marines Would Be 'Great Mistake'

*LD2611172094 Belgrade TANJUG Domestic Service in Serbo-Croatian 1609 GMT 26 Nov 94*

[FBIS Translated Text] Krajina—Milan Martic, president of the republic of Serb Krajina [RSK], said in Knin today that Krajina wants to solve all conflicts with Croatia peacefully.

At a news conference for domestic and foreign reporters, Martic announced the resumption of the Krajina-Croatia negotiating process on economic relations, adding that the RSK will not sign anything which would put it into an inferior position.

Martic pointed out that Croatia is imposing conditions, setting ultimatums and even saber-rattling and massing troops along the border. He stressed: "We are prepared to defend ourselves."

Martic said that Croatia cannot now count on understanding and support from the international community for, as he put it, its ultimative and warmongering policy.

On this occasion too, Martic denied any role of the Srpska Krajina army in the clashes around Bihac.

"Our forces are deployed in our territory in order to defend the sovereignty and the people of the RSK," he said, recalling earlier incursions of terrorist units belonging to the 5th Corps of the Muslim army which crossed the border on numerous occasions and inflicted material damage and human losses on Krajina.

Speaking about the fighting in the Bihac region, Martic said it is an inter-Muslim conflict between the forces loyal to Fikret Abdic and those loyal to Alija Izetbegovic.

"The same people who once tolerated the initial successes of the 5th Corps have now sided with it in order to protect it," said the president of Krajina. "However, when 20,000 Serbs fled the forces loyal to Izetbegovic—clearly fleeing aggression—there was no reaction from anyone responsible for decisions about war and peace."

The RSK president said that Udbina airport, damaged in a NATO air raid, will soon be repaired and will be used exclusively for "defense purposes."

Martic commented on a possible arrival of the U.S. Marines in the Adriatic with these words: "It would be a great mistake on the part of the United States and President Bill Clinton. I fear it could become a practice and that the United States could impose itself on other international players."

Asked about the position of the Bangladeshi UN battalion in the Bihac region, Martic replied that a convoy supply route to this battalion has been secured. As far as aid for refugees is concerned, everyone should be treated in the same way, the Muslims and Serbs alike, which has not been the case up to now, Martic said.

Martic underlined that UN secretary-general's envoy Yasushi Akashi supports him in this stand.

### Martic: UN Unaware of NATO Attack on Udbina

*LD2611230494 Zagreb HTV Television in Serbo-Croatian 2230 GMT 26 Nov 94*

[FBIS Translated Excerpt] Milan Martic, president of the republic of Serb Krajina [RSK], held a news conference in Knin today at which he spoke about the situation in Bosnia-Herzegovina and negotiations with Croatia.

Milan Martic said that the bombing raid on Udbina Airport was carried out without the knowledge of the United Nations, and that both Akashi and de Lapresle dissociated themselves from the attack, labeling it as a whim of the NATO forces. By carrying out such provocative attacks, NATO is threatening the lives of innocent UNPROFOR [UN Protection Forces] members, President Martic said. Recalling his meeting with Akashi and de Lapresle in Belgrade, the RSK president said that they arrived in Belgrade to convey the Muslim request for a ceasefire in the Bihac pocket, asking him to mediate with Karadzic and Mladic. President Martic rejected this offer, saying that he would accept it only in case his task was to mediate a comprehensive ceasefire in the entire territory of Bosnia-Herzegovina. [passage omitted]

### Krajina Army Guarantees Safety of UNPROFOR

*LD2711175194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1705 GMT 27 Nov 94*

[FBIS Translated Text] Knin, 27 Nov (TANJUG)—The general staff of the army of the republic of Serb Krajina today announced that members of the UN Protection Forces [UNPROFOR] have no reason to feel that they, their personal safety, and their facilities and equipment are threatened, as the attitude of the military authorities toward the Blue Helmets remains in keeping with the regular methods of work and agreed principles.

This attitude and conduct is in keeping with the decisions of the assembly of the republic of Serb Krajina, which stipulate the duty of cooperation and good relations with the UN peace force and international organizations, the statement stresses. "UN representatives are carrying out their duties and tasks in line with their mandate and in the interests of peace, i.e. a peaceful solution to the dispute with Croatia."

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This is precisely why it is necessary to make their work safe and trouble-free, something the army of the republic of Serb Krajina guarantees them.

The statement stresses that possible obstacles and obstructions facing UNPROFOR representatives in their work "are not in the interests of the Serbs in the republic of Serb Krajina," while threats to their safety may threaten the safety of citizens of the republic of Serb Krajina, something that no one wants.

### Serbs Turn Back UN Aid Convoy in Bihac

*AU2611192994 Paris AFP in English 1907 GMT 26 Nov 94*

[FBIS Transcribed Text] Zagreb, Nov 26 (AFP)—Croatian Serbs refused Saturday [26 November] to grant a UN aid convoy safe passage into the embattled Bosnian town of Bihac, a UN Protection Force (UNPROFOR) spokeswoman said here.

Claire Grimes told AFP that the Serbs "didn't give clearance" for the convoy into the town, a UN-declared "safe area" where an estimated 70,000 people are trapped at the mercy of a Bosnian Serb advance.

"We hope it will be possible" to send the convoy Sunday, she said, adding that "the humanitarian situation is really catastrophic" in the town, which has been without aid supplies for months due to a secessionist Serb blockade.

UN special envoy to former Yugoslavia, Yasushi Akashi, said Wednesday he had obtained clearance from Croatian Serb authorities for convoys into Bihac to resume.

### War Crime Trial Begins in Serb Krajina

*LD2811123394 Belgrade TANJUG Domestic Service in Serbo-Croatian 1131 GMT 28 Nov 94*

[FBIS Translated Excerpt] Beli Manastir, 28 November (TANJUG)—The trial of Dusan Boljevic (47) and his wife Jagoda Boljevic (45) from the Baranja village of Bilje, charged with war crimes against civilian population, opened in Beli Manastir today.

It is said in the indictment, read out by Deputy District Public prosecutor Sinisa Keserovic, that Boljevic, alias Rambo and Legend, killed 18 civilians in the period between 23 October and 16 December 1991. [passage omitted]

### Reorganization of Security, Intelligence Services

*95BA0014A Split FERAL TRIBUNE in Serbo-Croatian 3 Oct 94 p 6*

[Article by Zoran Daskalovic: "Tudjman Is Weaving His Net"]

[FBIS Translated Text] *The many reorganizations indicate that Tudjman has decided that all the reins of the security and intelligence services and the "armed" parts of the state will no longer be left in the hands of a single person. Those who are better-informed claim that Tudjman has also begun to weave a net and tighten the ring around the right-wing positions in the Defense Ministry and the Croatian Army.*

Explaining his withdrawal from political events a few days ago, Drazen Bobinac, zupan of the Lika-Senj zupanija and one of the "HDZ [Croatian Democratic Community] faithful," complained, among other things, that in his case as well "President Tudjman does not know what is being done and that individuals are serving him badly." Following the pattern already seen so many times, according to which "the beloved leader is not well-informed," and is therefore taking the kind of steps that he is, Bobinac aimed his accusations at unnamed "wicked young men" who are "tearing Croatia apart" with thieves, and even announced the possibility of more resignations like his unless "President Tudjman makes a political cut again." He even said this on behalf of his sympathizer, Branimir Glavas, who, in contrast to him, wrapped his withdrawal from the position of the top HDZ official of the Osijek-Baranja zupanija, at least for public consumption, in principled cellophane: supporting a reduction in his workload.

Those who are more familiar with events within the HDZ, however, claim that both Glavas and Bobinac were actually replaced, just as replacements are also in progress, after all, in the Slavonski Brod zupanija and the police administration in Karlovac. This is both because of the conflict within HDZ organizations there, and also because of the poor work and increasingly weaker position of the HDZ authorities in those areas. Furthermore, those resignations, or replacements, can also be interpreted as a conflict between two HDZ factions, the right wing or "genuine HDZ members," as they call themselves, and the technomanagers who have recently been backed somewhat more strongly by President Tudjman himself—not because they are nearer and dearer to him, but rather primarily because of international pressure. Josip Manolic estimates that the United States is demanding absolutely "firmly" that Tudjman implement the Washington agreement, as a result of which Tudjman has been forced to curb at least to some extent his "genuine HDZ members," who would turn that agreement into a heap of paper.

#### Adjustment of Rule

In the current personnel changes, what is actually happening is that President Tudjman is further securing and strengthening his authority. Naturally, they are only an external indication of the systematic adjustment of the mechanism of rule, but they should also be a guarantee that that mechanism will function in accordance with Tudjman's will. Even in the first year of his rule, Tudjman and what were then his closest associates in the HDZ leadership placed on at least the same level the danger to their authority coming from outside, and the

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danger threatening them from Croatia itself. Very quickly locating its epicenter within the HDZ, Tudjman himself, at the beginning of the summer of 1991, went public with the assertion that there were forces in the HDZ that were challenging the constitutional Croatian Government and "the republic president himself." In those days Josip Manolic, as Tudjman's closest associate, also spoke about an entire bloc of "different factions, different parties, different forces who have a common interest in overthrowing the existing government." He furthermore identified the greatest danger as being within what was then his party: "Even today I say that with our opposition, we can sleep peacefully. Bigger problems are being created for us by the dissatisfied people who are arising for various reasons in the ranks of our own party."

Manolic said that at that time as chairman of the Office for Protection of the Constitutional Order, which was the very peak of the network of security and intelligence services in Croatia. The fact that the Office was founded and received the authority to coordinate but also control all the security and intelligence services, from the army and police to the Ministry of Foreign Affairs, and thus also all government agencies, indicated that the top leadership's eyes were wide open to its interior. The later personnal and organizational changes in those services were also accompanied by political upheavals, primarily those within the HDZ itself. The removal of Manolic as head of the security and political services also happened more or less at the time when differences were arising between him and Tudjman over certain aspects of Tudjman's policy.

**Cuk's Elite**

Tudjman apparently realized then that he could not have unlimited trust in anyone, and so he changed the very organization of the security and intelligence services. He added the Croatian Intelligence Service [HIS] to the Office for the Protection of the Constitutional Order, which was renamed as the Office of National Security. Even though he brought in the loyal Hrvoje Sarinic as head of the Office, he appointed his son Miroslav Tudjman to head the HIS. Furthermore, in addition to the analytical work for which it was founded, according to those who are better-informed, the HIS also began to engage in parallel operational work, thus competing with the Office, which was still authorized to coordinate the military counterintelligence service [SIS], the military intelligence service, the police intelligence service, and the security and intelligence service of the Foreign Ministry.

Other reorganizations in those parts of the state also indicate that Tudjman had decided that in the security and intelligence services and the "armed" parts of the state, he would no longer leave all the reins in the hands of a single person, even if he had the greatest confidence in him. This included, for example, the establishment of a not very small (4,000-member) elite military unit that is not under the command of the Croatian Army's General Staff headquarters and its chief General Bobetko, but rather Defense Minister Gojko Susak. Its basic mission is to protect the republic president and other vital elements of the state leadership. (It was first observed in public during Tudjman's visit to Istria, when he was guarded, to general surprise, by members of that unit permanently stationed in Istria, instead of by the police. According to some sources, that unit, which is headed by General Mile Cuk, in whom both Tudjman and Susak have great confidence, also participated in the war in Bosnia-Herzegovina.) Although Bobetko and Susak are each in a position to command directly "their" parts of the Croatian Army, Tudjman, as the commander in chief, i.. addition to being superior to both of them and "their" units, can turn at any moment to the one who is more loyal to him in a given situation. Furthermore, there are also special police units that are also subordinate to him, so that through a sort of distribution of "weights" in the armed parts of the state government Tudjman has ensured a balance among them, and thus most of all protected his own power.

**Departure of Foreign Bodies**

All of that organizational "embroidery" in the state's repressive bodies is also constantly accompanied by personnel changes. Since the biggest conflict so far within the HDZ leadership has been over Tudjman's policy in Bosnia-Herzegovina, recently those who are close to Manolic and Mesic, and those who opposed Tudjman, have been permanently removed from the army and the security and intelligence services. The first one to clash with Tudjman's measures was apparently General Martin Spegelj, while still defense minister; this resulted in his replacement, but also in Tudjman's joining with the right wing of the HDZ in their ardent desire to purge the Croatian Army of former JNA [Yugoslav People's Army] officers. The motives in doing so were not the same, at least not for all of them. Spegelj's, and thus Manolic's and Mesic's, real or assumed influence over the former officers was important to Tudjman, while the extreme nationalists saw them from the beginning as a foreign body in the Croatian Army, whom they tolerated because at the start of the war they could not have opposed what was then the JNA without them. In any case, with Tudjman's consent, experts say, one of the HDZ right-wingers' prominent members, Defense Minister Gojko Susak, is completing the removal of 90 percent of the former JNA officers from the ranks of the Croatian Army.

Nevertheless, in that clash with the Mesic-Manolic faction and the curbing of its influence in the security and intelligence services and the army, the influence of the HDZ's right wing has grown considerably, especially that of Minister Susak and his "Herzegovina lobby." Although the latest personnel changes, those carried out and those announced, are taking place rather casually and seem to be only cosmetic measures, some of their characteristics nevertheless suggest that Tudjman is

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gradually restoring the disrupted balance. Back at the Second HDZ Congress, at which Tudjman admittedly cut off the HDZ's left wing, he also prevented the right-wingers from flooding the party's leadership, rudely slamming the door in their faces. Since most of them had been firmly entrenched at the party's lower organizational levels ever since its founding, however, the current replacement of their most hard-line representatives from the top positions in the HDZ's zupanija committees is a logical continuation of Tudjman's measures.

**Allies From the Opposition**

This is especially true if one knows that this summer individuals among them, exploiting the refugees' misery and sufferings, brought the pressure upon the UN Protection Force and the international community to the boiling point and put Tudjman himself in a position between the international hammer and the anvil of the refugees' and all other Croatian dissatisfaction. Therefore, in addition to their individual replacement, Tudjman is also simultaneously turning toward strengthening the position of the technomanagerial faction. On one hand, he is doing this because of the international community, and on the other hand, in order to establish a balance in his immediate vicinity. Specifically, it is evident that the HDZ's internal conflicts are not finished with respect to the policy on Bosnia-Herzegovina and adjustment to European and international integration trends, which implies observance of at least a minimum of democratic practices. Since the technomanagers support the same positions that international political leaders are virtually forcing upon Croatia, Tudjman does not exactly have too much room to maneuver.

Obviously, openly and completely opposing the world would be fatal to him and to Croatia for the foreseeable future. At the same time, if he lets the extremist right-wingers within the HDZ strengthen their position further—and that will happen precisely because of the compromises that he has to make because of pressures from the international community—he will expose himself to the danger that very soon he will not be able to oppose their strength. That is why Tudjman, in addition to turning to the technomanagers within the HDZ, is already starting to take a more cooperative approach toward the opposition and other non-HDZ elements of society, seeking potential allies among them in any possible fiercer conflict with the HDZ's strengthened right wing.

**Cracks in the Office**

For the time being, the right wing's position within the HDZ and the civilian parts of the state leadership has begun to weaken. Those who are closer to those processes claim that Tudjman has thus started to weave a net and tighten a ring around the right-wing positions in the Defense Ministry and the Croatian Army. It is estimated that there are two reasons for the withdrawal of Hrvoje Sarinic from the Office for National Security and his return to head the Presidential Office. In the first place, it is so that Tudjman could fully secure and seal up, in his immediate vicinity, the cracks that have also appeared in his Office. In the second place, it is in order to give the National Security Office more opportunities to establish cooperation with similar services in several other influential countries in the world. Specifically, since Sarinic had a special relationship with one of the foreign intelligence services, that hindered, to a certain extent, the Croatian intelligence service's cooperation with other countries' services. In the upcoming period, Tudjman could also need that kind of international assistance, and in an extreme case it could be very welcome, especially if he has to engage in an open conflict with his "genuine HDZ members" and their extremist political goals. Drazen Bobinac is thus probably wrong when he says that "the president does not know what is being done," and when he demands that he "make a political cut again," because Tudjman is actually consolidating his power again, and that has never been done in the past without cutting, at least minimally.

## Zagreb Primate Investigating Forced Conversions

*95P20188A*

[FBIS Media Note] The 7 November issue of FERAL TRIBUNE, a Split weekly known for satire and independent editorial policy, reported that as a result of allegations that Serb children in Croatia were being pressured to attend Catholic religious instruction classes and to convert to Catholicism, Zagreb Cardinal Franjo Kuharic had sent a letter to every parish office in the republic requesting, within two weeks, answers to several questions: How many children in Catholic religion classes do not belong to the Catholic Church, at whose request such children are attending the classes, how many are from mixed marriages, how many from solely Serb or Croat marriages, and whether Orthodox Christians were being baptized into the Catholic Church and at whose request. FERAL TRIBUNE observed that this might be the most courageous letter bearing the cardinal's signature published in recent times, because it "proceeds from the assumption that conversions to Catholicism are a fact and that it is necessary to investigate how they occurred and how many have taken place."

As examples of the pressure on children to attend Catholic education classes, FERAL TRIBUNE cites statements by Catholic religion teachers to pupils in elementary schools in Zagreb and Osijek. In the Zagreb school, a teacher told pupils that children who will not attend religion classes are sentencing themselves to being viewed as chetniks. In the Osijek school, a teacher told the pupils the same thing, and when they asked what would happen to those who nevertheless refused to attend the religion classes, she responded that "when they die they will be buried not as Christians but as dogs." FERAL TRIBUNE speculated about the state of

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an entire society that watched indifferently as numerous Serbs applied at municipal offices to change their names to Croatian ones, in spite of the "humiliating" procedure of posting 15-day public notices on name changes "so that objections can be made by those who have something against this ethnic mimicry." No Croatian Government official considers this to be a problem, FERAL TRIBUNE commented.

The FERAL TRIBUNE report noted that the story of forced conversions was publicized two-and-one-half years ago by Milorad Pupovac, former president of the Serbian Democratic Forum in Croatia, who claimed to have data on the conversion to Catholicism of about 10,000 Serbian children. Pupovac's allegations, the weekly added, were dismissed at the time by Croatian Prime Minister Franjo Greguric, who accused Pupovac of being "an extension of the arm of Slobodan Milosevic." In the meantime, FERAL TRIBUNE observed, matters had become so serious that even the Catholic Church has become concerned, using as an "excuse the argument that had preceded a fistfight" between Croatian Assembly deputies Drago Krpina of the ruling Croatian Democratic Community and Dragan Hinic of the Serb National Party "during which the figure of 14,000 children under pressure to attend classes in the Catholic religion was mentioned."

Zagreb HTV Television reported on 20 October that the Krpina-Hinic dispute took place during a session of the Croatian Assembly's Chamber of Deputies at which changes and amendments to the state budget were discussed. According to the report, Krpina said that it was absurd that the "organization that speaks about the forced conversion of 15,000 Serb children to Catholicism and calls for the confederalization of Croatia is given 65,000 German marks," to which Hinic responded, "Let me tell you, Mr. Krpina, that many thousands of Serb children in Croatia are receiving Catholic religious education under social and psychological pressure. That is a notorious thing; it is a taboo topic."

Pupovac, interviewed in the 7 November issue of FERAL TRIBUNE, hailed the decision of the Catholic Church leadership to investigate the allegations, stating that he could now openly say that as long as two-and-one-half years ago, he was aware of numerous requests for the conversion of Serb children with the explanation that the child wanted to be instructed in the Catholic religion or simply a new religion. Pupovac declared that the Orthodox and Catholic Churches should sit down as soon as possible and try to solve this problem. He added that it was also urgent to create an atmosphere in which it is not a crime to be Orthodox and a Serb. The opposite atmosphere continues to exist, Pupovac maintained and, as long as it does, the Serbs' ethnic identity will be under constant scrutiny, and they will be constantly under threat of being accused of a collective crime.

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### Russia Upgrades Representative Mission to Embassy

*AU2511131794 Skopje NOVA MAKEDONIJA in Macedonian 23 Nov 94 pp 1, 3*

[Report by S.J.: "Russia Is Coming Back (Diplomatically) to Macedonia"]

[FBIS Translated Text] Iuriy Trushin, head of the Russian Federation's representative office in the Republic of Macedonia [The Former Yugoslav Republic of Macedonia], delivered a note to Macedonian Foreign Minister Stevo Crvenkovski yesterday, in conformity with the agreement on the establishment of diplomatic relations between the Republic of Macedonia and the Russian Federation, by which the representation office of the Russian Federation is raised to the level of embassy, as well as a note by which the current head of the office is nominated charge d'affaires of the embassy.

In the discussions mutual satisfaction was expressed with the successful development of relations and cooperation between the two countries, as well as a promptness for promoting them with joint forces in all areas of mutual interest.

Minister Stevo Crvenkovski reiterated his gratitude for the Russian Federation's continued and principled support for the Republic of Macedonia on a bilateral and multilateral plane.

After delivering the note, the Russian diplomat issued a statement in which he presented the motives for this action, but also for the delay in the normalization of diplomatic relations with Macedonia.

"Delivering the note for the transformation of the office into a Russian embassy represents an act of great historical importance. You are well aware that at the beginning of this century there was a Russian diplomatic office in Bitola, which was closed for various reasons. Now, after a pause of more than 80 years, Russia is coming back again.

"We are very optimistic about the development of Russian-Macedonian relations for three reasons. First, we have deep cultural, historical, orthodox, and Slav roots. Second, our country is involved in democratic changes. Third, we in Russia understand that there cannot be a strong and stable Balkans without a strong, stable, and peaceful Macedonia. This is our basic foreign policy orientation in relation to Macedonia."

In explaining the reasons for the delay in the establishment of full diplomatic relations, Trushin said: "Our policy is principled, democratic, and balanced. We were the first country to recognize Macedonia under its constitutional name and that is why we are not stepping forward." Finally, he did not answer the question whether he would be the next Russian ambassador in Macedonia, saying that it was something that Moscow should decide, but the solution would soon be found.

### Parliament Elects Three Vice Presidents

*AU2511163194 Skopje MIC in English 25 Nov 94*

[FBIS Transcribed Excerpt] Tito Petkovski (SDAM) [Social Democratic Alliance of Macedonia], Abdurahman Aliti (PDP) [Party for Democratic Prosperity), and Kiro Popovski (SP) [Socialist Party] are the new vice presidents of the Macedonian Parliament. Out of these three, only Abdurahman Aliti was not a vice president in the old composition of the Macedonian parliament. [passage omitted]

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## Prime Minister Rejects Italian Property Claims

*LD2511200194 Belgrade TANJUG in English 1937 GMT 25 Nov 94*

[FBIS Transcribed Text] Ljubljana, Nov. 25 (TANJUG)—Slovenian Prime Minister Janez Drnovsek has rejected Italian requests for return of property seized from Italians banished from Istria peninsula after World War II.

An official statement on Friday quoted Drnovsek as saying in a letter to foreign ministers of the European Union member-countries seeking support for Slovenia's getting closer to the European Union.

The statement quoted Drnovsek as saying there were no legal grounds for Italy to make additional requests concerning the return of property.

He said that, as far as Slovenia was concerned, the matter was settled by multilateral international accords between Italy and the former Yugoslavia.

Italy calls for a revision of international accords with the former Yugoslavia from which Slovenia unilaterally seceded in 1991.

Under these accords, the traditional Italian regions of the Istria peninsula and the Kvarner and Dalmatia regions had been given to the former Yugoslavia and are still being shared between Slovenia and Croatia, which also unilaterally seceded from the former Yugoslavia in 1991.

Italy might again veto Slovenia's getting closer to the European Union next Monday because of its aggravated disputes and outstanding territorial problems with Slovenia.

## Defense Minister Backs U.S. Embargo Decision

*95P20185A Maribor VECER in Slovene 16 Nov 94 p 2*

[Unattributed article: "Slovenia Supports U.S. Decision"]

[FBIS Translated Text] "The U.S. decision to cease enforcing the naval embargo in the Adriatic Sea is, in our opinion, the first step toward achieving a balance in Bosnia-Herzegovina. Slovenia is convinced that a solution and an answer to the problems in Bosnia-Herzegovina must be sought in the Belgrade-Zagreb-Sarajevo triangle," Slovene Defense Minister Jelko Kacin commented to the Slovene press agency STA on the decision of the Clinton administration. "The Bosnian Serbs are backed by Belgrade and the Federal Republic of Yugoslavia and the Bosnian Croats by Zagreb and Croatia. Only the Muslims have no backing. If there is to be a balance in Bosnia-Herzegovina, the Muslims have to be put on equal footing. In my opinion, the lifting of the arms embargo against the Muslims is the first step toward leveling the playing field there," Minister Kacin emphasized.

## IRM Analysis on Slovene Media Popularity

*AU2511205394*

[FBIS Editorial Report] Ljubljana DELO in Slovene in its 15 November issue carries on page 7 a report by Jasna Lesnjak titled "Dailies Have More Readers" on the size of the readership and audience of Slovene media according to an analysis published in the MEDIANA magazine on the popularity of Slovene media conducted by the Ljubljana Institute for Researching Slovene Media (IRM).

The survey shows that "the average number of readers of Slovene dailies has increased by 128,000 in comparison to last fall. The circulation of all dailies, with the exception of SLOVENEC, has increased." SLOVENSKE NOVICE, with a readership of 404,000, has taken over the number one spot from DELO, which follows closely with a readership of 384,000. The fact that SLOVENSKE NOVICE was the most widely read Slovene daily last fall, yet in the spring readers again gave DELO the advantage that best illustrates Slovene reading habits. The report goes on to say that "the list of the other dailies remains unchanged, with VECER still in third place (293,000), followed by DNEVNIK (263,000), SLOVENEC (67,000), and REPUBLIKA (51,000)."

The report points out an interesting trend among magazines. Although their circulations and readerships have increased, the collective time spent reading magazines has decreased, which means that more leisure time is spent reading magazines. This corresponds with the increased readership of press media in the sphere of television, radio, recreation, and leisure hours. It is worth noting that "in comparison to last fall, the circulation of magazines dealing with economic, political, and current topics (MLADINA, REVIJA, OBRAMBA, FOKUS) has decreased, the same being true of more than half of the press media from the sphere of business, finance, and management."

As far as voice media are concerned, according to IRM's manager "the most remarkable novelty is the increasing number of commercial radio stations, among whom Gama MM and Poslovni Val—which did not exist last fall—are well in the lead." This has changed the rating of local and regional radio stations, while among the national stations, the audience of Radio Slovenia first and second channels has decreased significantly.

It is interesting to note that an analysis of national television programs shows significant variability of daily news broadcasts. Moreover, the age structure of Dnevnik [daily television newscast] viewers has also changed.

The IRM survey was carried out on a sample of 2,065 respondents aged between 10 and 75, and more than 200 domestic and foreign media—satellite, national, regional, and local—were surveyed, however, the IRM gave a detailed report of only 102 media in the MEDIANA publication.

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## Federal

### U.S. Centers in Belgrade, Podgorica Closed

*LD2511195294 Belgrade TANJUG Domestic Service in Serbo-Croatian 1925 GMT 25 Nov 94*

[FBIS Translated Excerpt] Belgrade, 25 Nov (TANJUG)—The U.S. information centers in Belgrade and Podgorica have been temporarily closed, TANJUG learned this evening.

The closing of the information center in Podgorica was caused by an incident which took place during the night between 23 and 24 November, when unknown perpetrators broke the windows of the center with stones.

The Belgrade center was closed earlier for refurbishing, we have learned from the center's staff.

This denies reports by foreign agencies that both centers have been closed for fear of possible new incidents.

TANJUG has learned in Podgorica that the police has not yet identified the perpetrators, who are still being sought. [passage omitted]

## Serbia

### Milosevic, Russia's Kozyrev Discuss War Issues

*LD2711165694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1615 GMT 27 Nov 94*

[FBIS Translated Text] Belgrade, 27 Nov (TANJUG)—Serbian President Slobodan Milosevic has received Russian Foreign Minister Andrey Kozyrev, who, with associates, arrived in our country yesterday, the Serbian president's office said in a statement today.

In cordial talks held yesterday and today in Karadjordjevo, in an atmosphere of mutual openness and understanding, views were exchanged on the current political situation in the Yugoslav crisis and the development of bilateral relations between the two countries.

President Milosevic and Minister Kozyrev reached a joint conclusion that efforts should continue to be made toward consistently building on elements of the peace plan and halting the escalation of war.

Consistently building on the peace plan consists of the elimination of remaining doubts in connection with equal rights for the Muslim-Croat federation and the Srpska republic to establish links with Croatia or the Federal Republic of Yugoslavia, defining constitutional solutions, and creating conditions for the effective bilateral coordination of views on territorial division.

It was jointly stressed that any weakening of the arms embargo in war-affected areas stimulates an orientation toward resolving the crisis by military means, undermines the peace process, and threatens the positive results achieved. This would seriously undermine the reputation and authority of the United Nations as an objective and unbiased factor in resolving the crisis.

President Milosevic expressed his firm belief that an escalation of the war is precisely the reason for launching an initiative and requesting that all the sides in the conflict in the area of the former Bosnia-Herzegovina conclude a comprehensive cease-fire ageement throughout the territory, thus creating conditions for the reaffirmation of the peace process. This cease-fire agreement can only be firm if it is concluded with the agreement of the commands of all the warring sides in the territory of the former Bosnia- Herzegovina.

It was jointly stated that the FRY [Federal Republic of Yugoslavia] has demonstrated its firm adherence to the policy of peace, and that its principled and persistent stands are aimed at the achievement of just political solutions which guarantee a peaceful way out of the crisis in the area of the former Yugoslavia. Russia decisively supports this orientation and holds the view that the international community must speed up the process of lifting the sanctions as the most important step.

It was also stressed that, in the context of a peaceful resolution of the Yugoslav crisis, it is vital to stimulate and support the successful conclusion of economic talks between Knin and Zagreb, with the aim of normalizing conditions for life in this area, removing existing tensions, and setting about the renewal of trust—as a precondition for the resumption of the negotiating process.

It was stressed that the FRY is an indispensable factor of stability and peacekeeping in the region, and that this is why it is necessary to have its active participation on equal terms in international organizations and institutions.

The mutual interest in conducting economic cooperation and strenghtening links between partners from both countries were discussed in particular. In this respect an agreement on deliveries of Russian gas is of particular signifcance. The two sides expressed satisfaction with their existing plans for joint economic operations, and stated that despite the damage inflicted by sanctions, economic and other interests remain a stable basis for a promising development of overall relations between the two countries.

The talks between President Milosevic and Russian Foreign Minister Kozyrev were also attended by Yugoslav Foreign Minister Vladislav Jovanovic, the statement says in conclusion.

### Kozyrev Interviewed

*AU2711200494 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 27 Nov 94*

[Interview with Russian Foreign Minister Andrey Kozyrev by Snezana Rodic, following Kozyrev's talks with Serbian President Slobodan Milosevic at Belgrade

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airport on 27 November; questions and answers are in English with superimposed Serbo-Croatian translation—recorded]

[FBIS Translated Text] [Rodic] How do you assess the talks with President Milosevic? What are the results?

[Kozyrev] Well, the result is that Belgrade continues to be committed firmly in its support for the Contact Group plan and a peaceful solution to the Bosnian conflict. I think that we can expect further steps by Belgrade toward the stabilization of the situation, but it is also evident that the Contact Group has to be prepared to recognize the decisive contribution made by President Milosevic toward peace in the region.

[Rodic] Have you spoken about the complete lifting of the sanctions in view of the peace process?

[Kozyrev] I think that the Contact Group should recognize that the president is firm in his support for the peace plan, that he is doing a very important job to bring about a certain stabilization, a cease-fire in Bosnia-Herzegovina. He is also actively involved in aiding and supporting Knin and Zagreb in their negotiations. These are reasons that deserve recognition by the international community. Russia supports this important stance by President Milosevic and Yugoslavia's leadership.

[Rodic] What will be your next step in Brussels at the Contact Group meeting?

[Kozyrev] We are preparing some initiatives for the Contact Group, and I think that there are two things that are of the utmost importance, both deriving from the Geneva package: First, the overall cessation of hostilities in Bosnia-Herzegovina, verified and monitored by the United Nations—which will not be violated, ever, by anyone. You know that the Muslims started the offensive from Bihac, and the Bosnian Serbs have responded, overstepping the boundaries of necessary defense. We have to avoid once and for all [changes thought] to halt the Bihac tragedy, but also to avoid other Bihac cases. The only way to achieve this in my opinion is contained in the Geneva package and yesterday's statement by the chairman of the Security Council—an overall cessation of hostilities that will be signed and respected. Secondly, the peace plan—which would guarantee balanced territorial arrangements according to the maps, and also enable the sides to negotiate or exchange territories if they want. This is also in the spirit of the Geneva package. Of course, there is also the lifting of the sanctions against Yugoslavia, which is also important, as Yugoslavia plays a very important and positive role in all this.

[Rodic] Can we expect gas from Russia soon?

[Kozyrev] Yes.

### Jovanovic Comments

*LD2711170794 Belgrade TANJUG Domestic Service in Serbo-Croatian 1622 GMT 27 Nov 94*

[FBIS Translated Text] Belgrade, 27 Nov (TANJUG)—Vladislav Jovanovic, federal minister of foreign affairs, said this evening that the Milosevic-Kozyrev talks were successful and that they were conducted in an atmosphere of friendship and openness.

"It remains to be seen whether this will be a sufficient success for peace to triumph over the temptation of war. After all, this does not depend only on Russia and Yugoslavia. This depends, above all, on those who are undermining the peace process and trying by all means to call up the ghosts of war. Despite this we are persistently fighting for peace and hope that the forces of peace will ultimately prevail," Jovanovic stressed.

Assessing the results of the talks in Karadjordjevo, Jovanovic said:

"This time, too, we tried to combine our efforts in order to end this difficult situation—above all the tension in Bosnia—and remove the possibility of resorting to force in order to resolve political questions. I believe that to this end these talks will have a positive impact on the further talks and negotiations which will soon take place in the framework of the Contact Group and at other levels."

A Russian journalist asked Jovanovic in conclusion whether the leaders of the Srpska republic were present at the talks in Karadjordjevo.

"I did not see them," the Yugoslav foreign minister replied.

### Milosevic Receives Owen, Stoltenberg 25 Nov

*LD2511155594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1535 GMT 25 Nov 94*

[FBIS Translated Text] Belgrade, 25 Nov (TANJUG)—David Owen and Thorvald Stoltenberg, cochairmen of the conference on former Yugoslavia, arrived in Belgrade today. Immediately on their arrival they were received by Slobodan Milosevic, president of the Republic of Serbia.

The two international mediators are in Belgrade at the time the United Nations is trying to negotiate a cease-fire agreement in the former Bosnia-Herzegovina.

### Peace Process Discussed

*LD2511163594 Belgrade TANJUG Domestic Service in Serbo-Croatian 1514 GMT 25 Nov 94*

[FBIS Translated Text] Belgrade, 25 Nov (TANJUG)—Republic of Serbia President Slobodan Milosevic today held talks with the cochairmen of the Geneva conference, Thorvald Stoltenberg and David Owen, and their aides. During lengthy and frank talks they discussed the most important issues of the present political situation and steps directed toward progress in the peace process.

Both sides agreed that the intensive activity aimed at finding a political solution and at stabilizing the situation in the war- stricken areas should continue. They said

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that they expected the successful continuation and outcome of the negotiations between Knin and Zagreb on the normalization of economic relations to contribute to this.

This was noted in a statement released by the office of the president of the republic.

## Kosovo

### Ethnic Albanian Former Policemen Arrested

*LD2511163794 Belgrade TANJUG Domestic Service in Serbo-Croatian 1510 GMT 25 Nov 94*

[FBIS Translated Text] Pristina, 25 Nov (TANJUG)—Over the past few days members of the Serbian Ministry of Internal Affairs have arrested a large group of Albanians suspected of belonging to the illegally formed paramilitary units of the police of the so-called "Republic of Kosovo", TANJUG learned today from reliable sources.

These people are mainly former ethnic Albanian employees of the Kosovo Secretariat for Internal Affairs who left the police en masse three years ago in a boycott of Serbia's Constitution and laws. Among the arrested people there are former heads of the Secretariat for Internal Affairs, commanders of police stations, and former inspectors of state and public security. Several activists of the illegal Albanian trade union of former employees of the Secretariat for Internal Affairs, formed three years ago, have also been arrested.

The relevant authorities have not released any details of this affair because, as they say, the investigation is still under way.

The Albanian-language paper BUJKU in Pristina has confirmed that 28 former members of the Secretariat for Internal Affairs have been arrested, and tried to use the story as propaganda, again accusing the Serbian authorities of alleged oppression of Albanians.

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